

# The Economist,

## WEEKLY COMMERCIAL TIMES,

Bankers' Gazette and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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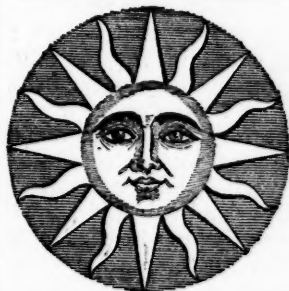
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## The Economist.

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#### THE MONEY MARKET.

EARLY in the week the expectation prevailed that the Bank rate would be reduced on Thursday, and, as a result, there was a material decline in both discount and loan rates. But when it became known that a large amount of gold would be taken for South America the sentiment changed, and it was realised that no reduction in the rate could be expected. It was subsequently announced that the amount taken was £1,432,000, and the Bank directors, at their meeting on Thursday, decided to make no change in the rate. The firmer tone accordingly became more pronounced, so that now the general quotation for best three months' bills is 5 per cent., while 4 per cent. is charged for weekly loans. It is, of course, inadvisable, if it can be avoided, that there should be a wide discrepancy between the Bank of England rate and the rate ruling in the open market, but there is no certainty that this discrepancy would have been mitigated by a reduction in the official rate, since that would have probably precipitated a further fall in market rates. And it is not likely that it will be necessary to take any artificial action to bring the two more into accord, as this result will in all probability be effected automatically. The market has now received all the benefit it is likely to derive from the dividend distributions, and the Bank holds considerable amounts of bills, which will be maturing from time to time during the current month. Supplies will also be materially reduced by the payments for the gold withdrawn, and by the ingathering of the revenue. The maintenance of the Bank rate at 6 per cent. may be, and is, productive of inconvenience, but it has to be borne in

mind that a premature reduction would stimulate the decline in outside rates, and this under existing circumstances might lead to very undesirable results. A policy of caution is needed at the present moment, for while two millions in gold are on their way hither, it is expected that a further two or three millions will shortly be taken for South America, and the monetary stringency in India may lead to additional ear-marking of coin here on Indian account. The most important factor in the situation, however, is the possible recrudescence of the American demand for the metal. The New York market is still suffering from straitened resources, and attempts, which it is hoped our banks will resolutely set their faces against, are again being made to borrow here on American securities. The outlook, apart from the United States, is more hopeful, but that exception is a very important one, and there are cogent reasons why rates should not be allowed to fall away. A conservative policy, indeed, is the right one for the time being, since it is better that a 6 per cent. rate should continue longer in order that the market may be able later on to return to a period of easier money.

Subjoined is our usual table of current rates:—

**BANK RATE and MARKET RATE.**

	This Week.	Last Week.	A Fort-night Ago.	Three Wks. Ago.	A Month Ago.
Bank rate ....	6	6	6	6	6
Market rate ..	5	5 $\frac{1}{8}$	5 $\frac{1}{4}$	6	5 $\frac{1}{2}$

**LONDON MARKET RATE Compared with FOREIGN MARKET RATES (+ above; - below).**

	This Week.	Last Week.	A Fort-night Ago.	Three Wks. Ago.	A Month Ago.
With Paris.....	+ 2	+ 2 $\frac{1}{2}$	+ 2 $\frac{1}{2}$	+ 3	+ 2 $\frac{1}{2}$
" Berlin .....	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$
" Amsterdam ..	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$	+ $\frac{1}{2}$
" New York call money	+ 2 $\frac{1}{2}$	+ 3 $\frac{1}{2}$	+ 1 $\frac{1}{2}$	..	+ 1 $\frac{1}{2}$

**RATES of EXCHANGE.**

	This Week.	Last Week.	A Fort-night Ago.	Three Wks. Ago.	A Month Ago.
France.....	Per Mille. $\frac{3}{4}$ agst us	Per Mille. $\frac{3}{4}$ agst us	Per Mille. $\frac{1}{2}$ for us	Per Mille. 1 for us	Per Mille. 1 for us
Germany.....	$\frac{3}{4}$ for us	$\frac{4}{8}$ for us	$\frac{4}{8}$ for us	$\frac{3}{4}$ for us	$\frac{4}{8}$ for us
Holland .....	$\frac{1}{2}$ for us	$\frac{1}{2}$ for us	$\frac{1}{2}$ for us	$\frac{1}{2}$ for us	$\frac{1}{2}$ for us
New York .....	2 $\frac{1}{2}$ agst us	2 $\frac{1}{2}$ agst us	$\frac{4}{8}$ agst us	5 $\frac{1}{2}$ agst us	$\frac{4}{8}$ agst us

**THE NEW ERA IN PERSIA.**

THE death of the Shah might, a few years ago, have set up a serious crisis, both on the Indian frontier and in Europe. Under present conditions, there is, happily, no reason to expect any very serious complications, even in Persia itself. The new Shah is believed to have profited by his experience, both in the provincial governorship customarily undertaken by the Heir-Apparent, and as Regent during the absences of his predecessor in Europe. He has not, so far as we know, acquired the desire for the pleasures of Western capitals which, as exhibited by his father and grandfather, led to results disastrous to their country, and caused the first-named to spend on his personal gratifications something like half the money borrowed in his reign for the purposes of the State. He is said to have no tendencies to extravagance, and he would, therefore, be under fewer temptations than his late father to drift into subjection to Russia, even were Russia not both fully engaged at home and on much better terms with Great Britain than during the greater part of the last reign. What is almost equally important, the Russian Press has lost one of its greatest temptations to excite alarm in England and India. It is no longer constrained by lack of domestic topics to fill its columns with articles on Eastern policy, whose writers could say what they pleased without fear of the censorship if they only took the high patriotic line. Even the expansion of Russia towards the Persian Gulf is now at a standstill, though good observers fully expected

that it would become all the more pronounced as the result of the Japanese barriers now growing up in the Far East. The danger at present, if there is any, is mainly from another quarter, and here, also, it depends not on the action of the Government, but on the exigencies of a domestic struggle and the efforts of Chauvinist and patriotic agitators.

Happily, too, our attitude is better defined, and our position much stronger, than it was when Muzaffer-ed-Din ascended the throne in 1896. For many years before that date Great Britain had systematically neglected Persia. British publicists with expert knowledge of the East, notably Sir Henry Rawlinson, had for years warned the Government and the British people of the danger that some foreign Power might threaten our Indian Empire by establishing itself on the Persian Gulf. At first the danger was expected to come from the Great Napoleon; then, with more reason, it was believed to lie in Russian intrigue; and for a considerable period British influence was exercised, first in training the Persian Army, and subsequently, especially in the war of 1857, in protecting Herat against a Persian advance. Nasr-ed-din, the first Shah who visited Europe, was splendidly entertained in England in 1867, with results partly laughable and partly repulsive, and incidentally productive of considerable discomfort to his Royal and noble hosts. His subsequent visits were unofficial, and his son and successor acquired a similar taste for Western civilisation, which threatened by its consequences to involve both his own country and Europe. He borrowed money freely; Lord Salisbury delayed, at a critical moment, to respond to his demand for a loan on excellent security, and he turned to the Russian Government, which not only lent him nearly twice as much, but obtained considerable railway concessions in Northern Persia, and hastened to develop its commercial and political influence, to our disadvantage. It was only in 1903 that the British Government took a decided line, and then it was moved to do so by the breakdown of the negotiations for the Baghdad Railway, due partly to the dissatisfaction with the arrangements shown in Great Britain, and partly to the failure of our Government to secure that the line should be international. The dissatisfaction, of course, had been strengthened by the fear that the proposed terminus of the line at Koweit would fall into Turkish and so into German hands. Then, on May 5, 1903, Lord Lansdowne made his memorable declaration that, as British enterprise had made the Persian Gulf accessible to commerce and secured two-thirds of Persia's trade, we should regard the establishment of a naval base there as a grave menace to British interests, and should resist it with all the means at our disposal. He added that whenever the Persian Government should take up the work of railway construction it was under a binding, though somewhat informal, engagement with us to permit railways to be made under British auspices in Southern Persia; and Lord Curzon's visit to the Gulf in the autumn of that year was a further and more formal assertion of our claims. There the matter rested; but Mr Maclean's report on Persian trade, published in 1904, showed that we were alive to our interests, and the grant in 1905 by the late Shah of something like representative government considerably reduced the danger that Persia would become a mere Russian Protectorate. And the Amir of Afghanistan, whose predecessors we protected for years from Russian attack through Persia, and afterwards made loyal through warfare and subsidies, is at the present moment at Agra strengthening his ties with our Indian Empire, and is under no temptation from Russia to break them.

At the present moment Anglo-Russian competition is replaced by the beginnings of an Anglo-Russian understanding, and a despotic government in Persia by the rudiments of popular representation. But a new competitor has arisen, at present only for a share in the trade. German steamers now run to Persian Gulf ports; a banking concession has been granted to German subjects, though it is at present being handled with caution; and the Baghdad railway project is re-

appearing—this time, as we have been told from Paris this week, as an international scheme. To all this no objection can be taken, so long as it means commerce only, and not "world-policy"; and we need not suppose that it means more than commerce. But there are two possible dangers. One is that the construction of the railway, or, at any rate, of its desert section, depends on the kilometric guarantee, which can only be based on the increase of the Turkish Customs duties over which the Porte was higgling with the Powers during the best part of 1906; and that increase is appropriated to the needs of Macedonia—which, as Mr Arthur Evans has pointed out this week in the *Times*, is now in a worse state than ever. There must be no sacrifice of the present needs of Macedonia to the future benefit of Asia Minor, Mesopotamia, or Persia; for the railway, though its commercial future lies in the first two countries, would doubtless profoundly affect Persia likewise. The second and more immediate danger lies in the exigencies of German electioneering, and in the unauthorised utterances of the too zealous supporters of the Government and *Weltpolitik*. Prince Bülow has appealed to the country on a patriotic issue, which has been deprived of its occasion by the collapse of the rebellion in South-West Africa, and is not, as it stands, specially inspiring. But a host of professors have gone on the warpath with Herr Dernburg, to preach doctrines closely connected with those of Friedrich List, which form the basis, falsely called "scientific," for our own fiscal reformers. They are Government officials, as one of them, Prof. Delbrück, was rather rudely reminded in another connection a few years ago; and they are preaching *Kolonialpolitik* with all their might. The German colonies are not a promising market. What if the Professors urge the attractions of Asia Minor and Persia, and demand an all-German railway from the Mediterranean to the Caspian and the Karun? Indeed, as Lord Ellenborough pointed out when Lord Lansdowne's declaration was elicited in May, 1903, there is a possible Persian terminus for the Baghdad line at Khor Musa on the Persian Gulf. Of course, they will not get these things; but there is the danger that they may demand them, and that the good relations of the two countries may presently be impaired by reports of German intrigues in Persia, like those circulated during the past year of such intrigues in Tripoli and Egypt. Our business is to beware of scares raised by such demands and rumours; to keep on good terms as regards Persia with both Russia and Germany; and to secure that the Baghdad railway, if made at all, shall be really an international enterprise, and that our own railway concessions in Persia shall be so carried out as to keep the door open to the world. Those aims, moreover, will probably be best promoted by keeping in touch and in sympathy with the representatives of the Persian nation.

#### STATE RIGHTS AND COLONIAL WRONGS.

THERE is an interesting likeness between certain problems which at the present time are attracting attention in the United States and others, different but closely allied, which our own Government have to deal with. The United States are making acquaintance with some of the disadvantages which attend written Constitutions. The work of the Founders of the Republic has been the subject of praise which at this moment seems a little exaggerated. The conception of a federated State in which each member should surrender certain specified rights, but in all other respects retain its sovereignty unimpaired, seemed a miracle of ingenuity when it was first embodied in words. It met the situation in a way that no other solution could possibly have done. The framers of this famous instrument had to devise a plan by which proud and widely separated communities, fiercely jealous of one another, and suspecting a trap in every suggestion that pointed towards closer union, could be brought to live under a common government. In the first instance

the experiment was a complete success. The Federal machinery and the State machinery worked in unison, with only slight and occasional friction. The slavery question put an end to this state of things, and the old doctrine of State rights fell for a time into discredit. But it has now revived, and threatens to give the Federal Government a good deal of trouble. California, in the capacity of a sovereign State, has the right of making its own laws in all matters relating to the treatment of aliens, and it is using this right with considerable vigour in the treatment of Japanese who have settled in its territory. The dislike of the white for the yellow man has not been lessened by the recent advance of Japan to a place in the very front rank of fighting nations, and the Californians are unwilling to draw any distinction between one yellow man and another. This hostile feeling has become specially acute in the matter of education. The American schools are common schools, both as regards class and sex, and this last fact has armed the Californians with an argument that comes close home. All suggestions about international rights or the comity of nations are met by the question, How would you like your little girl to be seated next a Japanese young man all her school hours? That is a kind of argument which admits of no answer that the questioner will accept as valid. It goes far down into the region of racial instincts. All the same, the Japanese Government is not in the humour to allow its subjects to be treated in this fashion. It knows nothing of nice distinction between State and Federal institutions. It directs its Ambassador to remonstrate with the authorities at Washington. But the authorities at Washington are powerless. The President can make strong speeches, the Secretary of State can write vigorous dispatches, but there is no getting over the fact that California has not stepped outside the limits within which she is the sole judge of her own interests and her own acts. The only way out of the difficulty is the enactment of a Constitutional Amendment. But the conditions under which a constitutional amendment can be passed are very stringent, and there seems no chance of satisfying them in the present instance. It is true that the conduct of the Californian Government has come in for much unfavourable criticism in the Eastern States. But it is one thing to disapprove the use which another State has made of its rights, and quite another to pass a constitutional amendment which shall greatly restrict those rights, not in California only, but in all the States of the Union. There are no signs of any disposition on the part of the Eastern States to make this second step. So far as appears, therefore, the United States Government will have to content itself with alternate appeals to California to remember that it is the whole Union that must suffer if Japan chooses to press the matter home, and to Japan to make allowance for the peculiar difficulties in which the Federal Constitution places the Federal authorities.

Our own colonial situation is not so acute as the American, but the two have some points in common. The Imperial Government have to consider, and, if possible, reconcile (1) two interests which, on the surface, at all events, do not always coincide. There is the interest of the whole and the interest of the part, the interest of the Empire and the interest of the several communities which make up the Empire. In a sense, no doubt, there can be no antagonism between the two. The interest of the whole is the interest of the parts, because (2) if the whole were seriously weakened, its power to protect its parts would be weakened in proportion. But the colonies do not always remember this. The matters which they have at heart seem to them so much nearer, so much more vital, that they do not stop to consider what might happen if they were left to attend to these matters without the Empire at their back. They look upon Imperial interests when they happen to conflict with their own as something with which they are not concerned. The Empire is big enough to take care of itself. The business of a colony

is to insist that, in taking care of itself, the Empire shall not lose sight of Australia or Newfoundland, or any other colony which has had to put up with something less than what it regards as its full rights. The consequences of insisting on these rights seem to the people of Australia too remote and contingent to be worth thinking about. Newfoundland naturally looks upon her fisheries as her own, and will not hear of having to admit any other country to a share in them. Australia is convinced that the only really satisfactory settlement of the New Hebrides controversy is that they shall be annexed to Great Britain. We do not deny the perfect soundness of both these positions. They express results at which, if English diplomacy could but bring them about, we should all rejoice. But to ask this may be placing on English diplomacy a burden greater than it can bear. Ambassadors and plenipotentiaries must start from facts as they are, and however clearly they may see to what point they would like to bring the negotiation, what are they to do if they see quite as plainly that there is no present prospect of their wishes being realised? The fisheries of Newfoundland are not wholly her own. Her right to them is qualified by treaties with France and with the United States. The New Hebrides are not an exclusively British possession. France has rights in them which we cannot contest, convenient as it would be to do so. The Imperial Government tries from time to time to improve the arrangements with which the colonies affected by them quarrel. Its success may be questioned in each particular instance, but the colonies can gain nothing by laying down beforehand conditions which would make negotiation impossible. If Great Britain found herself at war with the United States or with France, there is no certainty that the colonial claims, in which the quarrel originated, would be better protected than they are now. On the contrary, it is quite possible that they might have to be withdrawn altogether as part of the eventual condition of peace. The only satisfaction then left to the two colonies would be the reflection that they had involved the Empire in a common disaster. By all means let them press their views upon the Imperial Government, and ask that full time shall be allowed for their consideration, and for their communication to the representatives of the Power with whom we are negotiating. But the final decision as to what points shall be insisted on and what waived must rest with the Imperial Government, and the only consolation we can offer to the colonies which think their interests sacrificed to those of the Empire, is that they would have had to consent to far greater concessions had they been left to make their own treaties with the great Powers. After all, it is something to have an Empire at your back. One word more may be said with reference to Australia and the New Hebrides. A good deal is said in the correspondence about the injury which the present joint protectorate does to their material prosperity. But there is one very real injury which immediate annexation to Great Britain would not necessarily alter. It is no part of the convention with France that Australia should levy on the products of the New Hebrides those protective duties which the High Commissioner for the Western Pacific assigns as the chief cause for the decline of British interests in the islands.

#### MR CHAMBERLAIN'S "MESSAGE" TO CANADA.

THE publication of the "Message" addressed by Mr Chamberlain to the people of Canada, at the request of the editor of a Montreal journal, is welcome, in so far as it may be taken to indicate that the ex-Colonial Secretary has sufficiently recovered from his indisposition to be able to take an active part in public affairs. But when the text of the "Message" is considered, it is impossible to express satisfaction with the sentiments which it conveys. Mr Chamberlain once more enunciates the theory that monetary considerations are the true basis of loyalty; that it is not the ties of blood and the pride

of a common heritage, but the profits to be derived from exchange and barter, that are to hold together the constituent parts of the British Empire. "I am profoundly convinced," he writes, "that of all the bonds that can unite nations the bond of commerce is the strongest, and the perception of this fact will, I feel assured, ultimately lead to the closer union between Great Britain and her colonies, which I can see to be the only foundation for a great Empire." This sordid view has never been advanced by the colonies, who have higher ideals of loyalty, and it is no compliment to the people of Canada that their acquiescence in it should be assumed by Mr Chamberlain to be a matter of course. If monetary considerations were to be paramount in our Imperial relations the cost of the colonies to us would inevitably arise, and it is a poor sort of Imperialism which would place the whole problem of the unity of the Empire on a basis of pounds, shillings, and pence. And in his anxiety to assert his favourite doctrine, Mr Chamberlain has failed to realise that its adoption would lead to quite different results from those he professes to be anxious to achieve. He is "profoundly convinced that of all the bonds that can unite nations the bond of commerce is the strongest." If that be so, it is to foreign countries, and not to our own colonies, that we should be drawn. In the nine months ending with September last, the latest period for which the figures are available, our commerce with British colonies and possessions amounted to £195,023,000, while our trade with foreign nations reached a total of £526,062,000. The Argentine Republic purchased from us goods to the value of £14,334,000, as against Canada's purchases of £9,822,000, and our exports to Germany were far greater than our shipments to any part of the British Empire, with the exception of India, which throughout Mr Chamberlain's fiscal campaign was studiously ignored. Trade relations undoubtedly tend to the maintenance of friendly sentiments among nations, but to argue that these relations are of greater strength than the ties of blood is to fly in the face of all human experience. If it were otherwise, our closest friend and ally on the American continent would be the United States and not the Canadian Dominion. For in the period to which we have referred above, the commerce between this country and the States was more than four times as great as our trade with Canada. Mr Chamberlain, moreover, fails to see that his theory is an argument in favour of drawing Canada into closer union with her great neighbour. The trade between the Dominion and the States is of much larger proportions and is growing more rapidly than that between Canada and the Mother Country, and if the bond of commerce were, as Mr Chamberlain contends, the strongest bond "that can unite nations," the union of Canada and the American Republic would be inevitable.

Of all the mis-statements that have been made since the fiscal campaign was inaugurated, there is perhaps none more glaring than the assertion in Mr Chamberlain's "Message" that the issue of colonial preference "has never been fairly raised in the United Kingdom," and that the defeat of the Unionist party at the General Election was due to other causes. When it is remembered that for more than two years Mr Chamberlain assiduously stumped the country on this question, that he formally declared that it was to be the issue on which the General Election was to be fought, and that in his determination to push it forward he caused the disruption of the Unionist party, it is amazing to find him calmly informing the Canadians that the issue has never been fairly raised. And if his action in so doing is open to censure, his incitement to Canadian journals to use their influence in party politics on this side is positively reprehensible. Nothing, indeed, could be more calculated than such intervention to disturb the warm feeling of friendship that happily exists between the Mother Country and the Dominion.

It is characteristic of Mr Chamberlain's methods that he should continue to ignore the expressed determination of the Canadians to reserve as far as possible their

own markets for their own manufactures. He is perfectly cognisant of the fact that it is the settled policy of Canada to maintain a tariff wall against all commodities which compete with local products, and that this policy applies to British as well as to foreign goods. Yet he talks of "mutual preference," when he knows full well that the adoption of his policy would enable Canada to retain Protection at home, while securing in our markets, to the detriment of the British consumer, protection against the competing produce of foreign countries.

#### THE MIGRATION OF THE WHITE STAR LINE.

THE adoption of Southampton in the place of Liverpool as the Eastern terminal port for the steamships conducting the mail service of the White Star Line is one of the most significant and important events that have occurred in the North Atlantic shipping trade since the formation of the International Mercantile Marine Company. It has been stated on behalf of the White Star Line that this important change has not been made owing to any shortcomings in the facilities afforded by the great Northern port, but simply to meet the growing demand of travellers that facilities should be provided to enable them to embark and disembark at either a continental or a British port.

The steamers which will carry on the mail service from Southampton are the Oceanic, Majestic, Teutonic, and the Adriatic, the last-named being the most recent addition to the White Star fleet. These vessels will sail from Southampton on Wednesdays, and will then call at Cherbourg and Queenstown. On the East-bound journey they will call at Plymouth, then Cherbourg, and terminate the voyage at Southampton.

Any notable departure from old-established usages creates some feeling of regret, and in the present instance this feeling will be accentuated by the fact that it is a disappointing reward for the remarkable efforts which have been made by the Mersey Docks and Harbour Board for the adaptation of the port of Liverpool to the most modern requirements.

The withdrawal of these four mail vessels from the Liverpool and New York service does not, of course, mean that the connection of the White Star line with Liverpool will be severed. The weekly passenger service from Liverpool to New York will be maintained by the four magnificent twin-screw vessels Baltic, Celtic, Cedric, and Arabic, the only change being in the day of sailing, which has been altered from Friday to Thursday. The Liverpool and Boston passenger service, the Australian service, and the regular weekly services of live stock and cargo steamers will be maintained as heretofore. At the same time, the loss which will result to Liverpool from the transference of the mail service to Southampton will be considerable. A very small proportion of this loss will fall upon the Dock Board, and it may be estimated that the decrease of tonnage dues will not exceed £25,000 per annum. The financial position of the board is one of great strength, and it may be pointed out that for the year ended July 1st last there was a surplus of £139,392 after meeting working expenses and all interest charges on the board's debt.

The reason given for this change is, no doubt, a cogent one, but if it is the sole cause of the alteration, it appears to have taken the astute president of the White Star Line a considerable time to perceive the necessity for the change. The competition for the first-class continental transatlantic traffic has always been keen, and on this ground alone the present move would have been equally desirable ten years ago.

We believe that the real significance of the removal is to be found elsewhere. The two large fast vessels of the Cunard Company are approaching completion, and there can now be little doubt that both in respect of speed and luxurious accommodation for passengers these vessels will be unapproachable by any vessels either of the International Mercantile Marine or of their German allies. For some considerable time past it has

been known that the Cunard Company had in view the desirability of adopting a Channel port for these vessels, and the White Star Line appear to have determined to forestall their dangerous competitors by taking up practically all the available accommodation at Southampton.

In the general consideration of this matter the relations subsisting between the International Mercantile Marine Company and the two great German Lines should not be overlooked. It may be recalled that in 1902 a reciprocal agreement was entered into between these three parties, under which the combine guarantee a dividend of 6 per cent. upon £1,000,000 of the share capital (being one-quarter of the amount then existing) of each of the German companies. On the other hand, the combine receives a sum the equivalent of any dividend in excess of 6 per cent. upon the capital sums named which may be paid by each company. Under this agreement the International Mercantile Marine Company paid to the German lines, principally, we believe, to the North German Lloyd, about £47,000 in respect of the year 1904, and they received £65,000 from the German lines for 1905. For the past year the combine may be expected to receive about £60,000 from these companies, as the results of working should not be less favourable than for 1905. The agreement no doubt contains other clauses than those which have been made public, and the probabilities are that it will be renewed for a further period. Under the circumstances, it is hardly possible to regard the removal of the White Star mail steamers to Southampton as an unfriendly act towards the German lines, particularly as the vessels performing this service are not likely to prove very formidable competitors to the fast steamships of the North German Lloyd. It seems a much more probable explanation of the change to look upon it as a recognition of the predominant position which the Cunard Line is rapidly taking up in the North Atlantic trade, and the desire of the German lines, that if they are to be subject to competition for the continental trans-Atlantic traffic, it should be from the comparatively slow vessels of their allies, the combine, rather than from the four magnificent vessels which the Cunard Company will presently be able to employ in the trade. And no doubt, so far as the White Star Line is concerned, the change will be to their advantage, as it should enable them to employ their tonnage more profitably than would be the case if they were to retain Liverpool as their terminal port after the delivery of the two new Cunard vessels.

As to the effect of the transfer upon the port of Southampton, it cannot, of course, fail to be beneficial, but it would be easy to exaggerate the benefits which may be expected to accrue. The adaptation of the port to the requirements of these huge vessels will prove a costly matter, and some considerable time must elapse before the machinery of the port, requisite in connection with the White Star mail boats, can be expected to work in a perfectly smooth and economical manner.

At the present moment it does not seem probable that the Cunard Line will be in any hurry to follow the White Star Line to Southampton. And it is by no means certain that if they do go to a Channel port they will select Southampton. The company has, it is true, indicated its intention sooner or later to adopt a Channel port. But at the present time the Cunard Line is doing remarkably well in the Liverpool and New York service, and, as a matter of fact, the vessels of this line have secured practically the whole of the large increase which took place last year in the passenger traffic between Liverpool and New York. So long as their tonnage is fully and profitably employed on the Liverpool station, it is not reasonable to anticipate that merely for the sake of challenging the supremacy of the German lines in the continental trans-Atlantic trade they will remove to a Channel port. Moreover, so far as Southampton is concerned, it must be borne in mind that the accommodation available at that port will be severely strained for a considerable period, as facilities

for the economical handling of such large steamships cannot be improvised at short notice.

There is, however, one important influence which may determine the Cunard Company to remove to a Channel port at the earliest practicable date, and that is the proposals with regard to the basis upon which dock tonnage rates are levied, which are contained in the Bill to be presented to Parliament shortly by the Mersey Docks and Harbour Board. At present these dues are levied upon the net tonnage; under the Bill it is proposed that they should be levied on a proportion of the gross tonnage. The Cunard Company has repeatedly opposed the efforts of the Dock Board to alter the existing system, as it was felt that it would seriously handicap the large mail steamers, in which there is a notable disparity between the gross and the net tonnage. Moreover, a Committee of the House of Commons has reported against these proposals, upon the ground that they would only affect a small percentage of tonnage, and that it was not worth while altering the existing arrangements, particularly as such alterations might lead to international complications. Under the circumstances, it would appear to be a prudent step on the part of the Dock Board to abandon this proposal, as it would be a regrettable circumstance if the splendid facilities afforded by the port of Liverpool were to be rendered impracticable, upon the ground of excessive cost, for the mail steamships of the Cunard Line.

There is, happily, no reason to anticipate that this alteration in the terminal port of the White Star mail steamers will lead to a renewal of the rate-cutting war. The disastrous experiences of all the companies in 1904 have furnished a lasting object-lesson as to the folly and futility of such a method of settling differences.

#### THE UNION PACIFIC INQUIRY.

ALTHOUGH the investigation by the Inter-State Commerce Commission into the working of the Harriman group of railroads has only just commenced, some very interesting facts have already been elucidated with regard to the methods of the financiers who so completely control the American market among whom Mr Harriman takes a foremost place. Of course, a great deal of what is now being disclosed in evidence was more or less a matter of common knowledge in market circles. Ever since the fight for the control of the Northern Pacific, which resulted in the formation of the Northern Securities Company, the extent to which the funds of the Union Pacific were used for dealing in the stocks of other roads has been freely—and often severely—commented upon. In dealing with the company's report in a recent issue, we drew attention to the amount and variety of its investments. That report, as we pointed out, showed that the company's holdings of Northern Pacific and Great Northern stock had been largely reduced during the year, though it still held about 80 million dollars worth at current prices, and it was plain that some of the money so set free was being used to finance speculation on the stock market, since the balance-sheet showed £7,000,000 outstanding under the heading "demand loans," an item which had not previously appeared in the accounts. Since then we learn, from the evidence given before the Commission, Mr Harriman has purchased "for and on behalf of" the shareholders of the Union Pacific, the following list of securities:—

Illinois Central Common .....	\$ 28,128,000
Atchison Preferred .....	10,000,000
Baltimore and Ohio Common .....	32,234,000
Baltimore and Ohio Preferred .....	7,260,000
Milwaukee Common .....	3,690,000
Chicago and North-Western Common....	2,570,000
New York Central .....	14,286,000
<b>Total .....</b>	<b>98,168,000</b>

Here we have a total of close upon £20,000,000 in nominal value, and allowing for the premiums at which most of the stocks stand, the amount paid for them

could not have been much less than £26,000,000. Unfortunately, we have not yet got the figures on the other side, showing how these purchases were financed, but it seems likely that the rumour that the Union Pacific sold the greater part of its remaining holdings of Great Northerns and Northern Pacifics just before the recent collapse was well founded.

Of course, the Union Pacific shareholders have no voice in the purchase or sale of these securities. They have merely to shut their eyes and open their mouths, and see what Mr Harriman will send them. And in this case he seems to have sent a very mixed collection indeed. The story of his successful attempt to oust Mr Stuyvesant Fish from the presidency of the Illinois Central, and add that line to the group of railroads he controls, has already been told, though we are likely to hear more of it before the inquiry ends. The Baltimore and Ohio stock was taken over *en bloc* from the Pennsylvania when the latter company decided to dispose of part of its holdings, to avoid possible entanglements under the new railroad law, and its acquisition gives the Union Pacific a voice in the management of a system connecting its eastern terminals with the Atlantic seaboard. In these two cases it may be argued that the stocks were secured to protect or extend the interests of the railroad, though the policy pursued may be condemned as more grandiose than wise; but the other purchases have not even this justification, and appear to have been carried through purely for market purposes.

Two incidents may be referred to in passing which throw a more sinister light upon Mr Harriman's methods. The first is the delay in the declaration of the Union Pacific's sensational dividend last August, which caused such bitter comment at the time, and which we are now told was due to Mr Harriman's personal intervention. The second incident occurred in 1903, when an action was brought by Mr J. R. Keene to prevent the Union Pacific from obtaining control of the Southern Pacific. About the same time, it now transpires, 300,000 Southern Pacific shares, held by the Oregon Short Line, a subsidiary of the Union Pacific, were turned over to Mr William Rockefeller, under an agreement for resale. When the suit was dropped, the shares were retransferred, this little transaction costing Union Pacific some £37,000 in commission and interest.

In fact, we are left with the impression that Mr Harriman keeps a sharper eye on Wall Street than on the Union Pacific railroad, and that he uses the enormous funds placed at his disposal to carry out his own ambitious schemes, without much regard for the interests of the shareholders. So far his plans have prospered, but the system, which places a few men in a position to raise or depress prices at will, through the big holdings of stock and large funds at their disposal, is not one which encourages the small investor, who is naturally doubtful how his earthenware pot will fare among such a crowd of big brass vessels. It is to this cause that the present somewhat strained condition of the American market is largely due, as it is only by investment buying that permanent relief can be found from the burden of "undigested" securities.

Following on the scandals in connection with the management of the funds of the New York Life and Mutual Insurance Companies, the present disclosures of the mysteries of American high finance are calculated to cause a feeling of distrust, which not even the record prosperity of the country can altogether counteract. Good times cannot last for ever, and when bad times come, how will they be met? Certainly not by the sacrifice of the fortunes of the millionaires of Wall Street, if those gentlemen can help it.

The natural feeling aroused by these revelations is one of astonishment at the long suffering of the American public, but we need not be too surprised nor too free in criticism when we remember the history of our own South African market over the conduct of the properties in which they are interested, where the shareholders have no real control, where it is notorious

that the profits of the magnates have been made not so much out of the produce of the mines as by methods of flotation and market operations which are practically identical with the methods of American financiers.

**THE COTTON INDUSTRY IN 1906.**

The Board of Trade returns respecting our cotton piece goods shipments show an increase in yardage for last year on the year before, as will be seen from the following table:—

	December. Yards.	12 Months Ended December 31. Yards.
1906 .....	500,611,500	6,261,295,000
1905 .....	555,181,400	6,196,783,900
1904 .....	560,718,100	5,591,822,000

A feature of interest was the increase in 1906 on 1905 in printed and dyed goods. As a matter of fact, we shipped last year less bleached and grey cloths. The principal cases of increased takings for the year on 1905 are as follows:—

	Yards.	Yards.	
Turkey .....	102,744,000	Australia .....	18,517,000
Argentine Republic .....	33,804,000	Venezuela .....	18,184,000
Colombia .....	26,189,000	Madras .....	15,132,000
Egypt .....	24,469,000	Belgium .....	13,716,000

The instances of decreased shipments are:—

	Yards.	Yards.	
China .....	152,308,000	Dutch East Indies .....	20,240,000
Bengal .....	70,366,000	Japan .....	18,538,000

All through the year makers were exceedingly busy at a not unsatisfactory margin of profit, though in the latter half of the year less gain accrued, owing to the abnormal rise in American yarns. Users of cop-twist and weft had to pay much higher rates, and were not able to get a corresponding advance in cloth. The weaving margin at the close of the year was very different from what it was at the beginning. As a matter of fact, to buy yarn and sell cloth in several directions was not much more than change for a shilling. Order lists are lighter than twelve months ago. During this week there has been more piece goods business. Those who spin their own yarn have perhaps done better than manufacturers who manipulate bought yarn. For the greater part of the year China was practically out of the market, but since 1907 came in a revival in the demand has set in for Shanghai. Altogether 1906 shows substantial profits on capital employed, and as in the previous year the gain was larger in weaving than spinning. Home trade goods have been active in nearly all descriptions. The distributing houses have had a busy twelve months. The turnover shows an improvement on 1905. The consuming classes of workpeople in the North have earned more money, and have had regular work than for years past. A good many new looms have been put down, and more are projected. The estimate for the last two years is 80,000. It remains to be seen if the larger output of cloth in 1907 will be absorbed by our customers abroad.

The following is a table of quotations current on the date named for four standard cloths:—

1906.		32-in.		36-in.		38-in.		39-in.	
		Printers. 116 Yds., 16 by 16.	32's & 50's.	Shirtings. 76 Yds., 19 by 19.	32's & 40's.	Shirtings. 38 Yds., 18 by 16.	10 lbs.	Shirtings. 37½ Yds., 16 by 15.	8½ lbs.
January	5	16 3	15 9	8 3	8 3	7 3	7 3	7 3	
February	2	16 3	15 9	8 3	8 3	7 3	7 3	7 3	
March	2	16 4½	15 10½	8 3	8 3	7 3	7 3	7 3	
April	6	16 7½	16 1½	8 6	8 6	7 6	7 6	7 6	
May	4	16 9½	16 3	8 7	8 7	7 7	7 7	7 7	
June	1	16 10	16 3	8 7	8 7	7 7	7 7	7 7	
July	6	16 8	16 1	8 6	8 6	7 6	7 6	7 6	
August	3	16 6	16 0	8 5	8 5	7 5	7 5	7 5	
September	7	16 0	15 6	8 3	8 3	7 3	7 3	7 3	
October	5	16 6	16 0	8 6	8 6	7 6	7 6	7 6	
November	2	16 0	15 6	8 3	8 3	7 3	7 3	7 3	
December	7	16 3	15 9	8 4	8 4	7 4	7 4	7 4	
	28	16 13	15 9	8 4	8 4	7 4	7 4	7 4	

Yarn for home use at the beginning of 1906 was not very prosperous. The margin was narrower than previously, and supplies seemed to be backing up in

first hands. As the new weaving sheds got quickly to work, however, there sprung up a good demand, and by the middle of the year there was almost a scarcity of yarn. The production was largely owing to the starting of new factories, and it was fully absorbed all through the last half of 1906. There was scarcely sufficient yarn available to keep the increasing loom machinery going. Bolton spinings were strong for the greater part of the year. It is a long time since the Bolton trade was so brisk. Spinners' engagements are very extensive, and shippers have had great difficulty in getting deliveries from producers. Our shipments of yarn for the year are larger than for 1905, and the year before, as will be seen from the following table:—

	December. lbs.	Twelve Months Ended December 31st. lbs.
1906 .....	16,334,000	207,373,100
1905 .....	18,857,800	205,100,600
1904 .....	16,960,800	163,901,400

The following are the chief instances of increased shipments for the year as compared with 1905:—

	lbs.	lbs.	
Netherlands .....	2,310,000	Roumania .....	1,500,000
Japan .....	2,244,000	France .....	1,454,000
Germany .....	1,501,000		

The following are the chief decreases:—

	lbs.	lbs.	
China .....	2,891,000	Turkey .....	2,012,000

The following is a table of the quotations of Middling American (spot), 32's twist, 40's weft, and 50's weft; also 60's twist and fully good fair brown Egyptian Spot Cotton. The yarn prices are actual sales on the dates given of one large spinning of average quality in American descriptions and of one spinning in 60's T (Egyptian):—

Date.	Mid. Amer. d	32's Twist. d	40's Weft. d	50's Weft. d	Fully Good Fair	
					Brown Egyptian. d	60's Twist. d
Jan. 1906.	5.. 6:23	9	9	10	8½	14½
Feb.	2.. 5:99	8½	9	10	8½	15
Mar.	2.. 5:78	8½	8½	9½	9½	15½
Apr.	6.. 6:10	9½	9½	10½	9½	16½
May	4.. 6:08	9½	9½	10½	10½	16½
June	1.. 6:02	9½	9½	10½	10½	16½
July	6.. 6:08	9½	9½	11	10½	16½
Aug.	3.. 5:98	9½	9½	10½	10½	16½
Sept.	7.. 5:45	9½	8½	10½	9½	16½
Oct.	5.. 6:14	9½	9½	10½	9½	16½
Nov.	2.. 5:80	9½	10½	11½	9½	16½
Dec.	7.. 5:96	10	10½	11½	10½	17
	28.. 5:70	9½	10½	11½	10½	17½

a Two to three months ahead delivery.  
b Four to six months ahead delivery.

In raw American cotton many changes and fluctuations occurred, some of a violent character. The highest point was on October 15th, when middling was quoted at 6.45d, and the lowest on August 24th, when 5.29d was the rate. The average price in Liverpool was 5.95d, as compared with 5.09d in 1905. The crop for the year ending last August amounted to 11,319,000 bales, as compared with 13,556,000 bales in the previous season. This cotton year, which ends next August, looks like a yield of 13,000,000 bales. Messrs Neill Brothers think that the crop will be more than that, but Manchester can hardly see its way to adopt such figures, though the receipts at the United States ports continue very free. An unfavourable feature of the new crop is the larger quantity of low grades than usual, and spinners have to pay a considerable number of "points on" for suitable kinds to produce the superior and finer qualities of yarns. Egyptian cotton in the year has risen considerably, namely, from 8½d in fully good fair brown to 10½d. The average price of good fair was 9½d, against 7½d in the year before. The last crop turned out to be comparatively small, namely, a little below six million cantars. This current season a larger yield is looked forward to. The Alexandria General Produce Association has estimated the crop at 6,500,000 to 6,750,000 cantars. Other authorities consider that the prospects are favourable for a yield of seven million cantars. Then the East

Indian cotton crop this season will be larger than last. Altogether the supply of raw material will perhaps be larger this year than in any previous period.

The following is a table of consumption, and stocks of cotton in Great Britain in 1,000's of bales during the past ten years. Also the average prices of American, Pernam, and Surat during the same period, and the American crops:—

Years.	Stock, Dec. 31st.		Consumption. Weekly Average in Bales.	Average Prices.			American Crops.
	Liverpool.	Great Britain.		Middling American.	Fair Pernam.	Fair Surat.	
1906	700	1,126	54,850	5-95	6-10	..	11,320
1905	1,022	1,404	71,130	5-09	5-40	..	13,557
1904	834	1,162	59,170	6-60	6-78	..	10,124
1903	518	795	61,030	6-03	6-18	..	10,758
1902	605	902	64,260	4-77	4-86	..	10,701
1901	828	1,053	61,870	4-3	5-1	..	10,425
1900	625	871	62,280	5-3	5-3	..	9,440
1899	713	916	65,810	3-8	3-8	..	11,235
1898	1,337	1,629	66,480	3-8	3-8	..	11,181
1897	854	1,091	62,510	3-8	4-1	..	8,714

During the past 18 months or so 18 new spinning mills, with 1,627,355 spindles, using Egyptian cotton, have got fairly to work, seven new mills, with 595,000 spindles, have partly commenced, and 14 new mills, with 1,440,000 spindles, are being erected. Of new mills spinning American cotton 15, with 1,265,000 spindles, have during the same period been got fully to work; 11, with 1,002,000 spindles, have got partly to work; 31, with 2,561,000 spindles, are in course of erection; and 3, with 300,000 spindles, are projected.

Below will be found the net profit and loss of the spinning trade from 1884:—

COTTON SPINNING PROFITS IN 1906.—TWENTY-THREE YEARS' PROFITS AND LOSSES.

Year.	No. of Com- panies.	Profit. £	Loss. £	Averages per Company.		Yearly Div. paid.
				Profit. £	Loss. £	
1906	90	590,002	..	6,555	..	9 $\frac{3}{4}$
1905	90	693,070	..	7,701	..	7
1904	90	31,729	..	352	..	2 $\frac{1}{2}$
1903	90	..	45,322	..	503	3
1902	85	..	1,436	..	16	4 $\frac{3}{4}$
1901	80	279,345	..	3,494	..	7 $\frac{1}{2}$
1900	80	344,548	..	4,307	..	7 $\frac{1}{2}$
1899	86	381,176	..	4,432	..	6 $\frac{1}{2}$
1898	90	271,804	..	3,020	..	4 $\frac{1}{2}$
1897	94	157,570	..	1,676	..	3
1896	94	49,631	..	528	..	1 $\frac{3}{4}$
1895	94	63,167	..	672	..	1 $\frac{3}{4}$
1894	94	4,491	..	48	..	1 $\frac{1}{2}$
1893	99	..	60,790	..	613	1
1892	99	..	94,770	..	957	1 $\frac{1}{2}$
1891	101	38,758	..	383	..	5 $\frac{1}{2}$
1890	91	384,050	..	4,220	..	7
1889	86	220,587	..	2,565	..	5
1888	85	250,932	..	2,923	..	5
1887	88	86,810	..	986	..	4 $\frac{1}{2}$
1886	90	..	61,718	..	686	3
1885	87	..	2,750	..	31	2
1884	60	125,000	..	2,083	..	5

The above table shows that during the past 23 years 17 have been profitable periods, the aggregate profits amounting to £3,972,870, and the loss for the six years £266,766, the net profit earned being £3,706,104.

SUMMARY OF 90 COMPANIES.

	£	£
Total amount of paid-up share capital .....	..	3,455,633
Ordinary loan capital .....	1,536,770	..
Mortgages and debentures .....	109,957	..
		1,646,727
Total capital employed .....		5,102,360
After allowing interest on borrowed capital and charging trade with depreciation, the total profits earned by 90 companies amount to .....		590,002
Average profit per company, 1906 .....		6,555
Against average profit per company, 1905 .....		7,701
The total profit of £590,002 earned during the year by the £3,455,633 share capital works out to a percentage of .....	£17 1s 4d	
Against that earned in 1905 of .....	£19 3s 6d	
Decrease in the amount of profit earned .....	£2 2s 0d	

Average dividend paid, 1906 ..... 9 $\frac{3}{4}$  per cent.  
Average dividend paid, 1905 ..... 7 per cent.

Increase of dividend paid ..... 2 $\frac{3}{4}$  per cent.  
Credit balances and reserves in hand, 1906 ..... 642,306  
Credit balances and reserves in hand, 1905 ..... 400,004

Increase of balances in hand ..... 242,302  
Present book value of mills, machinery, and motive power..... 4,265,930  
Total number of twist and ring spindles ..... 3,422,220  
Total number of weft spindles..... 4,097,236

A feature of the year has been a remarkable increase in our shipments of textile machinery. The following table speaks for itself:—

	Twelve Months Ended December 31st.	
	December. £	£
1906 .....	631,271	6,710,572
1905 .....	5,503,232	5,606,304
1904 .....	438,223	5,001,391

Most countries took more freely than in 1905, and the following are the chief increases on the previous 12 months:—

	£	£	
British India .....	312,185	France .....	175,970
United States .....	185,671	China .....	82,642

Nothing has occurred during the 12 months in the way of friction between the masters and the workpeople on the question of wages or conditions of work. With the exception of the Bolton spinning area, all operatives may be said to be on a higher rate of wages than 12 months ago. In the weaving section the hands received a further advance of 2 $\frac{1}{2}$  per cent. in February. In the federated area spinning department the operatives applied for a permanent rise of 5 per cent. in March, and, owing to the continued prosperity of this section, their application was granted in April. Since that time meetings have been held between the employers and workpeople in order to see if some arrangement could not be made to adjust wages according to the state of trade. It seems likely that it will be a little time before a scheme will be formulated to suit all parties.

With regard to the future, the cloth demand since the present year opened has been encouraging, and in certain makes of goods order lists have been extended. The prospects, however, for those manufacturers who use bought yarn is rather uncertain. The supply of American numbers is bound to be considerably increased as the year goes on, and it would appear that the production will tell against spinners. Bolton spinners are likely to do well for a considerable time, owing to their deep engagements. Great extensions have been made in both spinning and weaving departments, and it remains to be seen if the demand for abroad will keep up with the increased production.

A YEAR'S FOREIGN TRADE.

The satisfactory expansion in our foreign trade which marked the preceding eleven months of 1906 was continued in December. The imports for that month reached a total of £54,673,982, an increase of £1,553,496, or 2.9 per cent., while the exports at £31,409,175 showed an advance of £2,756,981, which is equivalent to 9.6 per cent. It is most gratifying to note that of the total increase in the exports manufactures accounted for no less than £2,246,997, and that every class of commodity included in the summaries of the returns shared in the improvement.

Now that the figures for the full year are available it is possible to measure the expansion of our foreign commerce during that period. Our imports during 1906 amounted to the huge total of £607,897,893, an increase of £42,967,976, or 7.6 per cent. over the figures of the preceding year, while our exports were of the value of £375,672,913, an improvement of £45,856,299, or no less than 13 per cent.

In our next two issues we shall publish our usual analysis of the returns, which will show the exact



proportion in which the increases or decreases in the values of our imports and exports for the year are due to variations in quantity and prices respectively. Meanwhile, dealing with the figures as they stand, we find that the total expansion of £42,967,976 in the year's imports included increases of £6,929,891 in "food, drink, and tobacco," £23,402,462 in "raw materials and articles mainly unmanufactured," and £12,409,341 in "articles wholly or mainly manufactured." In the first-named category grain and flour show a decrease of £1,320,337, this movement being due to a substantial falling off in our receipts of wheat, accompanied by a decline in the price of that cereal. The decrease in quantity amounted to 4.7 per cent., and in value to 7.4 per cent. In meat, including animals for food, an increase of £2,612,358 is recorded, the most important factor in this movement being the advance in the price of bacon, for while the receipts of that article of food rose only from 5,498,960 cwts to 5,542,622 cwts, the value advanced from £12,774,855 to £14,644,095. Our imports of fresh beef rose both in quantity and value, but the receipts of preserved meat show a very large reduction, the falling off in quantity being from 883,029 cwts to 487,422 cwts, and in value from £2,647,195 to £1,822,671. An increase of £5,813,865 in "other food and drink non-dutiable" was largely due to an augmentation in the quantity and value of butter and cheese imported. Butter showed an increase in quantity of 4.6 per cent., and in value of 8.7 per cent. In dutiable articles of food coffee declined to a substantial extent, and there was a falling off of over two millions in sugar, although the quantity imported showed material expansion.

The rise in the value of our imports of raw materials was to a very considerable extent the outcome of the advance in prices which has been so prominent a feature in the industrial world. Our receipts of raw cotton, for instance, declined from 19,674,960 cwts to 17,923,049 cwts, but the value increased from £52,370,878 to £56,125,104, and while the increase in the quantity of our imports of wool was from 91,932,587 lbs to 99,891,750 lbs, the advance in value was from £26,648,737 to £30,540,421. Jute, again, rose by no more than 26,000 tons, or 9.8 per cent., but the value of our imports of the fibre advanced by £2,598,316, or 45.2 per cent. Wood and timber, which show an expansion of no less than £4,237,259, were also affected by the advance in prices. In the increase of £12,409,341 in our imports of articles wholly or mainly manufactured, copper and tin, which would be more appropriately classed as raw materials, played an important part. The receipts of copper were 74,298 tons against 70,176 tons in the preceding year, but the value of the imports in 1906 was £6,308,835 as compared with £4,652,635. And while tin advanced in quantity from 39,765 tons to 43,608 tons, the rise in value was from £5,632,776 to £7,820,687.

The substantial improvement in the value of our exports comes principally under the head of manufactures. Of the total increase of £45,856,299 manufactures accounted for £36,535,497, and with the exception of electrical goods and apparatus, which recorded a small decline of £50,053, every class of manufactured article comprised in the summaries of the returns showed an improvement. An advance of £8,054,125 in iron and steel was largely contributed to by increased shipments of pig-iron, the United States being the principal purchaser, but the improvement was spread over a large number of articles, there being, however, a trifling decrease in the shipments of steel rails, India's purchases having been on a smaller scale than in the year preceding. The value of machinery exported was £3,472,367 in excess of the total for 1905, every description with the exception of sewing-machines and mining machinery participating in the increase. There was an improvement from £824,805 to £1,547,093 in our shipments of locomotives to South America, where railway development is exceptionally active, and increases were also recorded in textile machinery to France, the United States, and India,

and in "other descriptions" to European countries, South America, and India. New ships showed an increase of £3,253,492, of which total warships accounted for £2,750,000. The large expansion in the value of our shipments of cotton yarn and piece goods, amounting to no less than £7,591,550, was due to a far greater extent to higher prices than to an increase in the quantities shipped. The advance in the quantity of yarns exported was 1.1 per cent. and in value 14.7 per cent., and while piece goods increased in quantity by no more than 1 per cent., the rise in the value of the exports of these articles was 6.4 per cent. The increase of £2,693,998 in woollen yarns and fabrics was the result of larger exports and higher prices. Germany very materially increased her purchases of yarns, while the larger exports of worsted and woollen tissues was due to larger purchases by most of our principal customers. Among miscellaneous articles, cement, motor-cars, and cycles show substantial improvements, and our exports of railway trucks and wagons rose from £1,504,183 to £2,530,949, of which total, we are told, £23,918 went to British South Africa, and £2,507,031 to "other countries."

The returns of our foreign commerce, as a whole, show that 1906 was a very prosperous year, and there are many indications that we may expect a continuance of prosperity during the current twelve months. The industrial activity that has prevailed all over the world has stimulated the demand for our manufactures, and at the same time checked the practice of dumping, which has its beneficial as well as its objectionable side, since with a strong demand for these goods at home our foreign rivals have no surplus to sell in our own and in neutral markets at abnormally low prices. It must be borne in mind, however, that the upward trend of trade cannot go on indefinitely, and that in the natural order of things a movement in the opposite direction must come. And the over-straining which is now apparent in the United States, where abundant prosperity for the time being unquestionably exists, is calculated, in our opinion, to hasten the reaction.

#### ARGENTINA.

(FROM OUR OWN CORRESPONDENT.)

Buenos Ayres, December 14, 1906.

#### POLITICAL SITUATION.

THE Government has sustained a serious defeat in the Chamber of Deputies by the rejection of the Bill which it presented for obtaining power to send a National Interventor to the Province of Mendoza, in order to direct the formation of a new Civic Register, and to secure to the citizens the free exercise of the suffrage in the election of a Governor, Vice-Governor, and members of the Legislature. This Bill was based upon the report of a special Commissioner sent to Mendoza in order to investigate the electoral condition of the Province, which was to the effect that the liberty of the suffrage does not exist there, that the elections are worked by Government officials, and that the persons elected are always the nominees of the Governor.

The Bill was thrown out by 65 votes against 24 (the total number of Deputies is 120, but several are absent from the country, and others were prevented by illness from taking part in the division).

The Government has to submit to the defeat, and it is improbable that even the Minister of the Interior, who defended the Bill, will think it necessary to resign. Whether the people of Mendoza will resign themselves to the vanishing of their hopes of reform remains to be seen; the Provincial Government evidently anticipates a revolutionary movement, and is adopting strong measures to repress it.

A Commissioner was sent to another Province, Salta, to undertake a similar inquiry; he has not yet made his report, but there is no doubt that it will be to the same effect as the Mendoza report. It is, however, unlikely that action will be taken upon it by the

Government while Congress is in session, and for this reason it may be expected that Congress will not dispose of the business before it until it has been assured that the Government will not exercise, during the recess its power to order intervention without the consent of Congress.

On the other hand, the Government may withdraw all the Bills submitted to Congress, and declare the Session closed, at the same time keeping in force for next year the Budget now in operation.

#### BUDGET.

We are now near the end of the year, and the Budget Committee of the Chamber of Deputies has not yet made its report upon the financial proposals of the ex-Minister of Finance, which were adopted by his successor. The delay is probably intentional, for the reason above given.

The Budget, when presented, will certainly show a considerable increase of the estimated expenditure.

The army is to be increased by calling out more conscripts for a year's service, and this will, of course, cause a greater expense, estimated at \$2,800,000 m/n; the Locust Extinction Committee is to have \$3,000,000 m/n more for completing its work; the Government has again resolved to offer subsidies to steamers amounting to \$56,000 gold a month; then there will be new battleships to be bought, unless a "pact of equivalence" be arranged with Brazil, which seems improbable; the improvements of the port, construction of State railways, and other public works will absorb very large amounts, and, as it is found difficult to put 5 per cent. bonds in circulation, and the Government will not issue them at a higher rate of interest, there will be a greater demand upon the general revenue than was anticipated a few months ago.

#### REVENUE.

However, the revenue has increased considerably compared with that of last year, though the receipts from Customs duties no longer grow, the excess over last year remaining stationary as regards the Custom House of the capital, at about \$6,300,000 gold, to which about 9 per cent. may be added in respect of the other Custom Houses.

The reason for this is that imports, which increased enormously in amount during the third quarter of the year, have since been falling off, owing no doubt to restriction of credit, and also to over-buying during the period mentioned.

#### EXPORTS AND HARVEST PROSPECTS.

The quantity of wheat exported this year will be more than 600,000 tons less than the exports of 1905, and linseed will show a diminution of about 125,000 tons. On the other hand, the exportation of maize to this date is about 300,000 tons in excess, compared with 1905 in the same period.

The reports respecting the crops are satisfactory. The new wheat is arriving in the market, and it is of good quality.

It is expected that the quantity of exportable wheat will at least equal, if it should not exceed, the exports of last year (nearly 2,900,000 tons), and maize promises well, if it can be protected from the locusts, which appears probable.

#### GOLD.

The stock of gold in the Conversion Office now exceeds \$100,000,000 (a short time ago it had fallen from \$106,000,000 to a little over \$93,000,000). A telegram announces a large consignment from London for South America, of which Buenos Ayres will receive £200,000.

Exchange has risen remarkably in the last few days, and it is now quoted at 49½, which rate had not been known previously for many years.

#### GOLD MINING.

Some of the gold-dredging companies have gone into liquidation, their dredges having failed to bring up any gold from the rivers dredged.

The quartz crushing in the mountains in Neuquen Territory may be expected to yield good results.

#### PROVINCIAL CEDULAS.

The meeting of Cedula holders in La Plata on Tuesday last resulted, as had been foreseen, in the acceptance of the terms offered by the Provincial Government. Cedula holders to the amount to \$91,000,000 m/n voted for acceptance, and the opposition represented less than \$2,500,000 m/n. It is a far better arrangement for the Cedula holders than was offered by the Bemberg scheme.

#### BAHIA BLANCA PORT.

The exporters and railway managers have agreed upon measures for facilitating the discharging and loading of ships, and these have been submitted to the Government for its sanction.

#### PORT OF THE CAPITAL.

It has been officially stated that, in spite of the improvements that have been effected in the working of the port, and in the facilities afforded for shipping operations, there is every probability of an even greater congestion of traffic than that which occurred at the beginning of this year.

#### WESTERN RAILWAY EXTENSIONS.

The Western Railway Bill for an underground railway to the port has been postponed by the Chamber of Deputies till next year. The Bill was passed by the Senate and approved, in general, by the Deputies, but opposition arose during the discussion of the articles. The Municipal Government is endeavouring to have the Bill rejected on the ground that the line would interfere with the construction of a municipal line under the Avenue de Mayo. The Municipal Board of Works has prepared a scheme for the construction of a network of tramways, one of which would take the same course as that which is proposed for the Western line. Two others would join this line so as to establish underground railway communication between the Southern, Western, Central Argentine and Buenos Ayres and Rosario terminal stations. The lines would be about 10½ kilometres in length, and the estimated cost is nearly \$20,000,000 m/n. The intendant states that the Bank of Paris and Pays Bas has offered to find the necessary capital. It is proposed to make, at a future time, very considerable extensions of the above-mentioned lines.

The Buenos Ayres Metropolitan Railway Company, which purchased Mr Charles Bright's concession for £40,000, claims the right to construct the network of underground tramways thereby granted, alleging the invalidity of the decree, which declared the concession to have lapsed. There is reason to believe that the company is working in concert with the municipal authorities.

The Western Railway Bill for extensions to the West is also being strongly opposed in the interests of the Province of Buenos Ayres, and it is probable that neither this Bill nor that of the Southern Railway, for new branches and extensions, will get through Congress during the remainder of this Session.

#### NEW STATE RAILWAYS.

Besides the extensions of the Central Northern Railway and new lines in the North, the Ministry of Public Works is about to call for tenders for the construction of a line from Rio Cuarto, 212 kilometres in length, and of two small branches of 49 kilometres together.

#### RAPID STEAMERS.

Although the Government in rejecting the three proposals presented for establishing a line of rapid steamers between this country and Europe stated that it was no longer necessary to offer subsidies, as the companies were spontaneously increasing the speed of their steamers, it has now presented a Bill to Congress directing the National Executive to call for private proposals from the navigation companies whose steamers come to the River Plate, as well as from those which presented proposals under the law

authorising the offer of subsidies. The conditions now stipulated are different: the maximum monthly subsidy fixed by the former law is to be applied for securing a monthly service of three or more steamers to the North of Europe, and a similar service to the Mediterranean in such proportions as the Government may determine. The steamers will be exempt from port dues and other fiscal imposts.

The port of Lisbon is added to the ports mentioned in the law as the ports of departure and arrival in Europe, and the condition as to carrying the Argentine flag and having Argentine officers and sailors on board is withdrawn.

This revival of the scheme is ill-advised and unnecessary; no other explanation of it can be suggested than the existence of a desire to please Mr Luro, the author of the original scheme.

## BUSINESS NOTES.

**Banking Profits.**—Several more of the leading London banks have published their dividend announcements during the past week, and though in no case is there any increase in the distribution, the results all bear witness to the more favourable conditions for bankers which have prevailed during the last half-year. The London and County shows an additional profit of about £52,000, of which £50,000 is allocated to writing down the bank's holdings of Corporation stocks. The Union of London and Smiths Bank also devoted £50,000 to writing down its investments. The additional profits earned only amounted to £43,000, but as the amount brought forward from June 30 was £184,000, compared with £88,000 at the same date last year, the balance carried forward is increased from £121,000 to £211,000. Lloyd's Bank places £50,000 to reserve, as against nothing last year; £35,000 to bank premises account, as compared with £30,000; and carries forward an additional £8,500; and Parr's Bank, after allocating £10,000 to bank premises account and £15,000 to officers' pension fund, is enabled to carry forward £137,783 as against £100,953 last year. The London and Provincial Bank shows an increase of only £5,000 in net profits, which goes to increase the carry forward. The provincial banks have not benefited to the same extent as their London *confrères*, the lending of their depositors' money on foreign finance bills not coming within the scope of their operations; but they have all done fairly well, as the following table shows:—

	Second Half 1906.			Second Half 1905.		
	Div.	Reserve and Dep.	Carry Forward.	Div.	Reserve and Dep.	Carry Forward.
Birmingham District and Counties .....	15	£ 12,500	£ 20,074	*15	*2,500	£ 26,624
Bradford District .....	12½	1,982	9,800	11½	..	8,796
Bradford Old Bank .....	9	5,500	6,480	9	..	6,687
Halifax Joint Stock .....	*12½	5,000	7,577	*12½	..	*6,374
Manchester and County .....	15	15,000	19,803	15	10,000	13,645
Manchester & Liverpool District .....	17½	10,000	41,110	17½	10,000	37,095
The Metropolitan Bank of England & Wales .....	*15	*9,836	*33,526	*13½	*9,763	*20,861
York City and County .....	*16½	9,000	29,534	*18½	6,000	19,572

\* For whole year.

The York City and County, although reducing its dividend, earned practically the same amount as in 1905, the difference going to increase the reserves and carry forward. Most of the others pay the same rate as before, but in several instances larger amounts were placed to reserve and depreciation. The Metropolitan Bank of England and Wales raised its rate of distribution from 13½ to 15 per cent. for the year, and the Bradford District Bank distributed an extra ½ per cent.

**The British Westinghouse Company.**—When the British Westinghouse Electric and Manufacturing Company was established in 1899, a great deal was said as to the favourable results that might be expected from the introduction here of American methods in this particular branch of industry. Unhappily, however, the results, from the shareholders' point of view, have been anything but favourable. Since 1902-3 no dividend has been paid on the preference shares, and the accounts just published show that the debit balance of £15,408 with which the year commenced has increased to £102,943. The auditors, moreover, state that no provision has been made in the year for depreciation of buildings, machinery, and other assets. In these circumstances, the directors propose the writing down of the company's capital by no less than £1,375,000. Of this amount it is proposed to devote the sum of £1,083,817 to the writing down of patents, goodwill, works, and equipment, material, and stock in hand, &c., which now stand at £2,333,432, £794,867 representing patents and goodwill, and "to the provision of an adequate reserve in respect of developments, contracts, and work in progress undertaken in previous years." The balance of £291,183 is to be applied to the extinction of the suspense account, and of the balance at the debit of profit and loss account. This is a very sorry outcome of seven years' trading, but it may be said that the proposed method of writing down is of an equitable character. The directors recommend that £2 be written off each of the 500,000 £5 preference shares, and £5 per share of each of the 75,000 £10 ordinary shares. At the same time, they propose that the rate of dividend on the preference shares be increased from 6 per cent. to 10 per cent., and on the ordinary shares from 6 per cent. to 12 per cent., the division of any surplus remaining as at present, namely, one-fourth among the preference shareholders, and three-fourths among the ordinary shareholders. This would entitle the holders of each class to the same amount in dividend as at present before any division of surplus profits. And in the event of liquidation, there is to be no change from the existing arrangements, so that the preference shareholders would first receive £5 per share before any distribution was made to the ordinary shareholders.

**The Trustees and Managers of the Stock Exchange.**—Because the second title expresses their duties more conveniently than the first is no doubt the reason why the nine gentlemen who direct the Stock Exchange on behalf of the proprietors are almost invariably called the Managers. Two of them have recently died—Mr Andrew K. Hichens and Mr H. Doughty Browne. As there are but seven remaining, it becomes necessary for two other members to be elected to fill the vacancies, and shareholders in the Stock Exchange have just received official notice to this effect. The office of Trustee and Manager is quite distinct from that of Committeeman, as, indeed, is obvious when it is remembered that the Managers and the Committee have frequently come into conflict in the past. The Committee cannot spend a penny without the sanction of the Managers. How embarrassingly this regulation may work as regards the Committee is shown by one little incident not devoid of humour. Some few years back the Committee decreed that all unauthorised clerks should wear small blue badges, and all settling-room clerks should be similarly badged with red buttons. Rumour affirmed quite positively at the time that this rule did not at first commend itself to some of the Managers, and that it narrowly escaped shipwreck because the latter would not grant the necessary funds to provide the badges until after much persuasion! Perhaps the Committee even threatened to make members pay for their clerks' buttons. The Trustees and Managers are hardly mentioned at all in the Stock Exchange rules. The rules certainly provide for the fixing of entrance fees and subscriptions by the Managers, and also relieve the

Managers of all responsibility in the certification of transfers performed by the Secretary of the Share and Loan Department; while the Committee make the rules for the government of the members, and thus represent those members, the Managers safeguard the interests of shareholders first of all, and then those of the House at large. It seems to have been recognised only quite lately that the best interests of the two parties are not far short of being identical, and that wise government for all, on the part of both bodies, is the best way to secure prosperity for each. There are nine Managers, as already stated, and 30 Committeemen. To be eligible for election as either a candidate must have been a member of the House for at least five years. There is the further qualification demanded of a manager that he shall be the holder of at least ten House shares. Whether it be from this last requirement, or whether it be from tradition, we cannot say, but the fact remains that a general Stock Exchange impression of a candidate for the office of Manager is that he must be a man of no mean wealth.

**A Good Account.**—If the New Year should continue in the same manner as it has started, the Stock Exchange will have small cause for complaint when it comes to balance its books. The mid-January account is now practically over, and, taking its length into due consideration, it has provided the Stock Exchange with an amount of business as unexpected as it is welcome. Naturally, the members spoke with hopefulness at the end of the Old Year. They predicted, confidently enough, that the Bank rate would come down, if not in the first week, at all events, in the second week of January. This was the chief thread in the bullish argument, but its promise has not been fulfilled, and yet business has been satisfactorily active during the 19 days now drawing to their settlement conclusion. Most of the markets participate in the better state of affairs. It may be that Capel Court has a grudge against the tide of trade for not running more strongly in its direction, but still, Consols rose, for a short time, to nearly a point above the price at which the stock made up for the January account. And a movement like this in the Funds implies business at the back of it. Then the Home Railway dealers admit they have enjoyed several days' good trading. It came "patchily," perhaps, not so evenly good as the jobbers might desire, yet there has been a lot more doing than usual, and the approach of dividend time is rendered brighter by the more animated aspect of affairs in this section. Americans have felt the burden of money throughout the account, and the uncertainty respecting the lawsuit over the Union Pacific caused orders to flow slowly, the Kaffir Circus, too, coming into active competition as a speculation area. In the foreign market, the lively movements of Peruvian Corporation stocks and of Rio Tintos proved as useful for the attraction of business as the steadier improvement in Brazilian, Argentine, and Japanese issues. Textiles have been a very considerable aid to active dealing in the Miscellaneous market, and the declaration of banking dividends, with amounts carried forward, stimulated orders in the bank division. So instances might be multiplied of the reawakened activity in the "Old" House before ever we touch upon the Kaffir Circus, with its recrudescence of buoyancy, bred by professionalism truly, but not without efficacy in drawing more public attention than has lately visited the market in South Africans—diamonds, Rhodesians, outcrops, deep levels, land and finance undertakings, and the rest. Glancing over the last fortnight, the Stock Exchange cannot but be well satisfied with the firstfruits of 1907, and it looks forward to easier monetary conditions as likely to give the new revival an added fillip of animation before long.

**The American Production of Copper.**—According to the computations of the *Boston News Bureau*, the American output of copper in 1906 (including the United States, Canada, and Mexico) amounted to

1,185,500,000 lbs, as compared with 1,076,643,000 lbs in 1905. To these totals the United States contributed 995,500,000 lbs in 1906, against 916,000,000 lbs in 1905, Mexico 140,000,000 lbs, against 120,000,000 lbs, and Canada 50,000,000 lbs, against 47,500,000 lbs. Production in Arizona last year was somewhat restricted by a shortage of fuel and by floods, and in Utah some new mines will, it is expected, be in a position towards the close of the present year to add to the output. But, regarding the outlook all round, the conclusion to which the *Bureau* arrives is "that in 1907 not much of an increase in copper production can be looked for."

**Shipbuilding Returns.**—From the returns compiled by "Lloyd's Register of Shipping," it appears that, excluding warships, there were 481 vessels of 1,166,989 tons gross under construction in the United Kingdom at the close of the quarter ended December 31, 1906. The particulars of the vessels in question are as follows, similar details being given for the corresponding period in 1905 for the purpose of comparison:—

Description.	Dec. 31, 1906.		Dec. 31, 1905.	
	No.	Gross Tonnage.	No.	Gross Tonnage.
<b>Steam.</b>				
Steel .....	443	1,149,676	485	1,350,279
Iron .....	2	900	1	500
Wood and composite .....	..	..	1	60
<b>Total .....</b>	<b>445</b>	<b>1,150,576</b>	<b>487</b>	<b>1,350,839</b>
<b>Sail.</b>				
Steel .....	18	14,799	12	2,940
Iron .....	..	..	..	..
Wood and composite .....	18	1,614	16	1,977
<b>Total .....</b>	<b>36</b>	<b>16,413</b>	<b>28</b>	<b>4,917</b>
<b>Total steam and sail .....</b>	<b>481</b>	<b>1,166,989</b>	<b>515</b>	<b>1,355,756</b>

The vessels now under construction are 98,000 tons less than those which were in hand at the end of the September quarter, which itself showed a striking decrease (144,000 tons) as compared with the previous quarter. There is thus a diminution of 242,000 tons during the last six months. A somewhat similar falling off was observable in 1902, when between March and September there was a decrease of 240,000 tons. With this exception, however, there has been no such reduction since June, 1884, when the tonnage under construction fell from 789,957 tons to 480,579 tons within a period of six months. The Clyde is far ahead of all other districts in regard to the tonnage under construction at the end of 1906, Glasgow having on hand 251,761 tons, as compared with 283,780 tons at the end of 1905, and Greenock 158,479 tons, as compared with 219,555 tons. Next in importance are Newcastle, with 245,026 tons, as compared with 253,894 tons; Sunderland, with 178,475 tons, against 174,109 tons; and Belfast, with 174,770 tons, against 194,510 tons. Of the 1,166,989 tons under construction at the date of the return, 775,128 tons were for owners in the United Kingdom, 39,739 tons for the British colonies, 66,315 tons for Germany, and the remainder for other foreign owners. During the December quarter work was commenced on 200 vessels, with 352,183 gross tonnage, while there were launched 231 vessels, aggregating 448,881 tons.

**Transvaal Gold Production.**—The output of gold from the Transvaal for December shows an increase, as compared with the preceding month, of 16,794 ounces, the total including "certain gold reserves, amounting to 19,115 ounces, declared and carried to profit and loss account and extinguished." The production of the mines of the Rand was 529,521 ounces, and from the outside districts 20,646 ounces, making a total of 550,167 ounces, valued at £2,336,961. This compares with 533,373 ounces, valued at £2,265,625, in October, and 431,594 ounces, valued at £1,833,295, in the corresponding month of last year. The following

is a statement of the gold recovered in each month since April, 1901:—

TRANSVAAL CHAMBER OF MINES' FIGURES.

	1906.	1905.	1904.	1903.	1902.	1901.
January .....	1,820,739	1,568,508	1,226,846	846,489	298,786	..
February .....	1,731,664	1,545,371	1,229,726	834,739	345,782	..
March .....	1,884,815	1,698,340	1,309,329	923,739	442,303	..
April .....	1,865,785	1,695,550	1,299,576	967,936	507,980	..
May .....	1,959,062	1,768,734	1,335,826	994,506	588,746	31,271
June .....	2,021,813	1,751,412	1,309,231	1,012,322	606,493	84,014
July .....	2,089,004	1,781,944	1,307,621	1,068,917	633,674	110,269
August .....	2,162,583	1,820,496	1,326,468	1,155,039	691,322	120,953
September .....	2,145,575	1,769,124	1,326,506	1,173,211	725,522	135,654
October .....	2,296,371	1,765,047	1,383,167	1,208,669	770,706	141,848
November .....	2,265,625	1,804,253	1,427,947	1,188,571	795,922	165,986
December .....	2,336,961	1,833,295	1,538,800	1,215,111	832,652	224,692
Addenda .....	..	..	33,766	..	13,777	..
Total .....	24,579,997	20,802,074	16,054,809	12,589,248	7,253,665	1,014,687

Taking individual mines, the most important increases for the month were shown by the Robinson Deep 1,935 ounces, Angelo 1,283 ounces, Village Main Reef 969 ounces, New Goch 809 ounces, and Heriot 680 ounces. The Robinson reported a decrease of 559 ounces, Ferreira 306 ounces, and New Rietfontein 295 ounces. The return of the Witwatersrand Labour Association shows that during November 9,843 natives were distributed among the mines, while 6,789 left from time expiry or other causes. There was thus a net gain during the month of 3,054 natives, the total number employed at the end of December being 81,231, exclusive of those working at the Robinson mines.

**Union Discount Company.**—In dealing with the accounts of this company last week, by an unfortunate slip we gave the amount carried forward as £44,193, instead of £54,193. We regret the mistake, by which it was made to appear that the company had done rather worse than in the corresponding six months last year. In actual fact, the report shows that the net profits amounted to £53,437, as compared with £51,989 for the second half of 1905.

**Wills and Bequests.**—The *Illustrated London News* gives the following list of wills proved, with the amount of personalty in each case:—

Gathorne, First Earl of Cranbrook, late of Hemsted Park, Kent .....	£ 274,098
Mr Thomas Dolling Bolton, late of 3 Temple gardens, Temple .....	57,100
Mr George Osborne Barratt, late of Holly Mount, Crouch Hill .....	153,830
Canon Vernon Musgrave, late of Hascombe, Surrey .....	79,316
Mr Johann Carl Ludwig Loeffler, late of The Abbey, Campden Hill road, Kensington .....	1,505,004
Mr Henry Swingle, late of Edge Hill, Duffield, Derby .....	351,023
Mr Peter Iredale, late of Bankfield, Workington, Cumberland .....	88,296
Sir Richard Tangye, late of Coombe Bank, Kingston ..	226,319
Mr Roland Philipson, late of Prior's terrace, Tynemouth	510,723
Mr George Noakes, late of Battle, Sussex .....	103,713
The Rev. Alfred Gresley Barker, Sherfield-upon-Loddon, Hants .....	70,630
Mr Robert Oliver Orton, late of Bank House, Tattenhall, Chester .....	43,709
Mr James Watson, late of Burnhulme, Chapeltown, Leeds .....	42,003
Mr Harry Arthur Hamshaw, late of Humberstone Gate, Leicester .....	41,432
Mr Simon Phillips, late of 2 Elsworthly road, South Hampstead .....	38,830
Mr George Augustus Haig, late of Pen Ithon, Radnor ..	34,213
Mr John Thomas Reynolds, late of 29 Mosley street, Manchester .....	32,981
Mr Henry John Gurrier, late of Colville, Bexley .....	31,681
Major-General Frederick George Berkeley, late of The Almshouses, Chertsey .....	25,461
Lady Juliana Caroline F. Walker, late of 10 Bryanston street, W .....	9,410

The following directorial changes are announced:—  
Mr F. H. Chevallier Boutell has accepted a seat on the board of the Buenos Ayres Port and City Tramways; Mr Henrik Loeffler has been appointed a director of the Oroya Brownhill Company and the Oroya Black Range, in succession to the late Mr Ludwig Loeffler; Baron Emile B. d'Erlanger has been elected chairman of the Alabama, New Orleans, Texas, and Pacific Junc-

tion Railways Company, in place of the late Mr H. Doughty Browne.

THE Treasury give notice, under section 8 of the Sinking Fund Act, 1875 (38 and 39 Vic., c. 45), that a further sum of £1,465,620 8s 9d, being the balance of the Old Sinking Fund for 1905-6, will shortly be issued to the National Debt Commissioners.

THE directors of the Birmingham District and Counties Banking Company announce that a provisional agreement has been entered into, by which (subject to confirmation by the shareholders) the business of the Bradford Old Bank will be amalgamated with that of their own company. The paid-up capital of the Bradford bank is £500,000, divided into 25,000 shares, on each of which there is a liability of £30. By the terms of the agreement, each of these shares will receive 3½ shares in the Birmingham company (credited with £4 per share paid up), and the total paid-up capital under the new arrangement will be £1,193,332. It is thought advisable to adopt a more comprehensive title for the bank, and the directors suggest as the new name the "United Counties Bank, Limited."

THE Bank of England inform us that the stock required for the current quarter's investment on account of accumulative dividends was purchased on the 5th instant at the following prices, viz.:—Consols, 87 per cent.; £2 10s per cent. Annuities, 85½ per cent.; Local Loans stock, 97½ per cent.; War stock, 97½ per cent.; Guaranteed £2 15s per cent.; 88½ per cent.; India £3 10s per cent., 104½ per cent.; India £3 per cent., 93½ per cent.; India £2 10s per cent., 78½ per cent.; Metropolitan Consolidated £3 10s per cent., 102½ per cent. The stockholders will be credited with the amounts to which they are entitled on February 1, 1907. There are now 9,814 accounts on which the dividends accumulate automatically, and the amount of capital is £2,026,921. The figures a year ago were 9,487 accounts, and £1,946,899 capital.

## Foreign Correspondence.

### FRANCE.

[FROM OUR OWN CORRESPONDENT.]

PARIS, January 10.

The returns of the Bank of France for this week, last week, and the corresponding week of last year are as follows:—

	DEBTOR		
	Jan. 10, 1907.	Jan. 3, 1907.	Jan. 11, 1906.
Capital of the Bank .....	182,500,000 0	182,500,000 0	182,500,000 0
Profits in addition to capital (Art. 8, Law of June 9, 1857) .....	8,002,313 54	8,002,313 54	8,002,313 54
Reserve of the Bank and its branches .....	22,105,750 14	22,105,750 14	22,105,750 14
Reserve of landed property .....	4,000,000 0	4,000,000 0	4,000,000 0
Special Reserve .....	8,407,444 16	8,407,444 16	8,407,444 16
Notes in circulation .....	4,931,898,980 0	5,092,694,675 0	4,753,135,075 0
Interest on securities transferred or deposited .....	39,493,507 58	49,468,365 13	29,644,404 94
Bank notes to order, receipts payable at sight ..	9,195,051 77	8,633,528 38	10,632,426 61
Treasury account current creditor .....	168,287,864 9	244,879,323 48	234,047,210 16
Current accounts, Par s .....	489,739,683 55	481,406,891 44	529,952,992 51
Do branch banks .....	68,791,927 0	83,394,853 0	81,134,641 0
Dividends payable .....	7,368,719 31	11,087,111 31	6,166,440 81
Discounts and sundry interests .....	3,283,577 43	2,272,363 16	3,008,040 46
Rediscounted the last six months .....	2,767,167 0	2,767,167 0	2,000,000 0
Sundries .....	123,175,723 45	221,613,249 13	146,357,686 69
Total .....	6,072,027,709 2	6,423,233,104 87	6,021,094,626 2

	CREDITOR		
	Jan. 10, 1907.	Jan. 3, 1907.	Jan. 11, 1906.
Cash in hand and in branch banks .....	3,646,278,132 92	3,655,253,020 4	3,933,095,444 74
Commercial bills overdue ..	206,412 56	9,076,184 10	1,296,272 14
Commercial bills discounted in Paris not yet due .....	553,784,833 88	707,517,193 86	476,696,197 48
Foreign bills .....	58,749,354 49	..	130,087 15
Treasury bills .....	254,974 62	..	..
Commercial bills, branch banks .....	642,701,115 0	848,259,608 0	557,288,626 0

Advances on deposits of			
bullion .....	1,350,000 0	1,737,000 0	2,145,000 0
Do in branch banks .....	107,300 0	64,700 0	20,500 0
Do in public securities .....	202,471,116 15	215,582,113 9	165,354,218 64
Do by branch banks .....	416,356,087 0	399,401,087 0	342,095,842 0
Advances to the State (Con-			
ventions, June 9, 1857,			
and March 29, 1878) .....	180,000,000 0	180,000,000 0	180,000,000 0
Government stock reserve .....	12,980,750 14	12,980,750 14	12,980,750 14
Do disposable .....	99,627,213 60	99,627,213 60	99,627,213 60
Rentes immobilisées (Law			
of June 9, 1857) .....	100,000,000 0	100,000,000 0	100,000,000 0
Hotel and furniture at the			
bank and landed prop-			
erty branches .....	31,533,277 67	31,524,305 27	30,034,470 49
Expenses of management .....	274,024 71	38,436 56	289,013 11
Display of the special re-			
serve .....	8,407,444 16	8,407,444 16	8,407,444 16
Sundries .....	116,945,672 12	153,757,849 5	111,635,651 58
Total .....	6,072,027,709 2	6,423,233,104 87	6,021,094,626 2

The above return, compared with that for the preceding week, exhibits the following changes:—

## DECREASE.

Circulation .....	Francs.	£
Treasury account .....	57,795,695	= 2,311,828
Private Deposits .....	76,881,469	= 3,163,259
Cash .....	6,270,134	= 250,805
Discounts .....	18,974,888	= 758,995
	300,288,524	= 12,011,461

## BANK OF FRANCE RATES.

Discount .....	3	%
Advances on bullion .....	1	"
Advances on public securities .....	34	"

There were apprehension that the Bank of France might be under the necessity of raising its rate of discount, but the large diminution in the bill case rendered such a measure unnecessary. The London exchange has further receded a point and a-half, to 25f 21c. There is still no private discount under the Bank rate. The Bank has parted with gold for coupon money. There is no material change in the amount of foreign bills held by the Bank. The gold reserve has declined £296,722 on the week. The cash to-day and last week was made up as under:—

	January 10, 1907.	January 3, 1907.
	Francs.	Francs.
Gold .....	2,657,395,150 = 106,295,846	2,664,814,211 = 106,592,568
Silver .....	988,881,982 = 39,555,279	990,438,809 = 39,617,552
	3,646,277,132 = 145,851,125	3,655,253,020 = 146,210,120

The following were to-day's closing prices and the variations on the week:—

	Jan. 10.	Jan. 3.	
	Par.	f c	f c
Three per Cents. ....	100	95 72½	+ 0 20
Redeemable Threes. ....	100	95 90	+ 0 15
Italian .....	100	101 50x	+ 0 15
Austrian Gold 4 % .....	100	99 45	+ 0 45
Spanish Exterior .....	100	94 75x	+ 0 5
Russian Old Threes. ....	100	64 0x	- 1 25
Russian Fives, 1906. ....	100	88 60	- 1 0
Turkish Fours .....	100	95 75	+ 0 65
Egyptian Unified .....	100	104 90	+ 1 20
Bank of France Shares. ....	1,000	4,070 0	+ 70 0
Banque de Paris .....	500	1,575 0x	- 5 0
Comptoir d'Escompte. ....	500	710 0	+ 15 0
Crédit Lyonnais .....	500	1,238 0	+ 14 0
Crédit Foncier .....	500	692 0x	+ 12 0
Suez Canal .....	500	4,520 0x	+ 30 0
Northern Railway .....	500	1,771 0x	+ 4 0
Western Railway .....	500	845 0	- 25 0
Orleans Railway .....	500	1,364 0	+ 21 0
Eastern Railway .....	500	875 0	- 3 0
Lyons Railway .....	500	1,323 0	- 8 0
Southern Railway .....	500	1,110 0x	+ 23 0
Rio Tinto Ord. ....	250	2,288 0	+ 20 0

The following were to-day's closing prices in stocks and shares not comprised in the table above:—Brazilian Rours, 87f 45c; Portuguese Threes, 70f; Chinese Rours, 96f; Ottoman Bank, 686f; Meridional of Italy Rails, 783f; South of Austria Shares, 188f; Old Bonds, 331f 25cx; North of Spain Shares, 287f; Bonds, 385f; Saragossa Shares, 445f; Bonds, 398f; Tharsis Shares, 223f; Cape Copper, 212f 50c; De Beers, 639f; Chartered Company, 45f 60; Consolidated Goldfields, 117f 50c; Ferreira, 539f; Goldenhuis, 96f; Goldenhuis Deep, 152f; Transvaal Land, 81f 50c; Buffelsdoorn, 8f; Randfontein Estates, 48f 25c; Robinson Mines, 217f 50c; Oceana, 25f; Simmer and Jack, 36f; East Rand Proprietary, 128f 50c; Durban-Roodepoort, 30f; Rand

Mines, 184f; Lancaster, 13f 50c; Village Main Reef, 110f; May Consolidated, 71f 50c.

Statistics of the population in 1905 recently published are now supplemented by the results of the five yearly census taken on the March 4th last year. The returns for 1905 showed a surplus of 37,120 births over deaths; those given by the census give a total of 39,252,267, or an increase of 290,322 on 1901, including foreigners in both cases, but not Algeria and the colonies. For the first time since 1886 there was a decrease in the foreign population, or from 1,115,214 in that year to 1,009,415 in 1906. This diminution of aliens is no doubt due to the laws of 1889 and 1893, the former of which imposed French nationality without the right of option or repudiation on certain categories of foreigners not previously liable to military service; the latter requires every foreigner arriving in a locality to exercise a trade, profession, or industry, under a penalty of from 50f to 200f, to make a formal declaration within a week to the police authorities, and imposes a like penalty on the master who employs a person not on the police register. The population of Paris proper only increased 49,325, or from 2,714,068 to 2,763,393, in the five years 1901 to 1906, but there was an augmentation of 129,363 in the suburban localities of the Department of the Seine, of which Paris forms part, and which gives a total of 3,848,618. The migration of the inter-mural population to the outlying communes is the result of the improved communications between Paris and the suburbs. Next to Paris come Nice, with an increase of 29,123, or over 25 per cent., in the five years, in which the foreign element would probably contribute the greater part, and Marseilles, with a gain of 26,337. Marseilles, with a population of 517,498, has now ousted Lyons, 472,114, from the position of the second city in France. For administrative purposes, France is divided into 36,222 communes, each with its mayor and Municipal Council, but of these 18,714, or more than one-half, have a population not exceeding 500, and 158 possess less than 50. Among the great towns in which the population decreased since 1901 were Bordeaux, Dunkirk, Lille, Roubaix, and Versailles. The two departments with the greatest foreign population were the Maritime Alps, 93,554 out of a total of 334,007, comprising Nice and the Riviera, the Bouches du Rhone with Marseilles, with 123,497, and the Seine, including Paris, with 153,647. The population of Algeria was 5,231,850, made up of 729,960 Europeans, including the army, and 4,501,890 natives.

The State monopolies for tobacco, matches, gunpowder, playing-cards, &c., produce such a large revenue, 840,000,000f in 1905, that suggestions are put forward to increase the number as a means of relieving the necessities of the Treasury. One in petroleum has been frequently proposed; the revelation of the large profits made by the Assurances Générales in the Chamber recently caused Deputies to suggest that fire insurance should be made a Government monopoly; two others are now advocated in the Press, one for coffee, the author of this idea making the calculation that as the price of coffee at Havre is 1f per kilogramme and the duty 1f 36c, together 2f 36c, while the retail price is 4f, and the consumption 90,000,000 kilogrammes, if the trade were placed in the hands of the Government the profits would amount to 150,000,000f. The other emanates from the Cotton Association, supported by a Havre journal, which proposes that the State should encourage the production of that textile in the French colonies, so as to suffice for the home consumption and for exportation, and then prohibit the importation of cotton from the United States, India, Egypt, and other countries, by which an annual sum of 300,000,000f, now paid to the foreigner, would be retained in France and her colonies.

Since payment of the January coupon of Italian Rentes, previously quoted in the Official Price Current as converted Five per Cents., a Four per cent. stock, they are now described at 3½ until 1911, and 3½ per cent. afterwards.

By a decree of January 5th the words "Liberté, Egalité, Fraternité" will be, in future, substituted in relief on the smooth rim of the 20f gold pieces for the legend, "Dieu protège la France."

Indirect taxes during the year 1906 realised surpluses of 122,665,500f (£4,906,620) on the estimates and of 51,971,000f (£2,078,840) on the year 1905.

Returns of the operation of the Paris Savings Bank, an independent institution, showed that the deposits received in 1906 amounted to 36,685,711f (£1,467,428) and the reimbursements to 38,768,938f (£1,550,757). The balance standing to the credit of depositors at the end of the year was 115,350,778f (£4,614,031), a decrease of 2,016,101f (£80,644) on the year. The number of deposit accounts open was 635,491.

The Paris Omnibus Company maintained its receipts in 1906 in spite of the increased competition of urban railways and tramways. They amounted to 44,384,072f (£1,775,363), a gain of 499,356f (£19,974) on 1905.

**THE UNITED STATES.**

(FROM OUR OWN CORRESPONDENT.)

NEW YORK, December 31.

The closing week of the business year in Wall Street was somewhat distressing. In the early portion the stiff rates for money resulted in a genuine liquidation, which relieved the situation somewhat. Thereupon followed some steadiness, although the market was very dull, and when Saturday and Monday came another reversal followed, and prices went off on the heels of those for all the market leaders, notably the Hill Pacifics and Reading. Call loans at first were not as high as they had been, and were not the cause of the earlier tendency to liquidate. Much of the unfavourable sentiment was the outcome of the rather unusual method taken by the St Paul directorate to market their new \$100,000,000 stock issue. The public, too, seem to have tired of explaining to themselves why Reading Common shares, paying 4 per cent., are worth anything like what Pennsylvania Railroad stock is selling for, a security which pays 7 per cent. The old story of the fabulous and as yet untouched wealth of Reading's undeveloped coal lands has done much to excite real interest, but it is no truer now than it was when the Reading was in the financial doldrums years ago.

Wall Street has again been experiencing the somewhat unusual sensation of seeing sterling rates depressed to a point which would permit of importations of gold at a profit, without being able or wishing to take advantage of the fact, for several well-understood reasons, among them the probability that should it endeavour to bring gold here now from London, the Bank of England rate would be advanced to 7 per cent. So the year ends with share prices weak, and averaging lower than they did a year ago; with call rates for money, of late, not so high as in the like period of December, 1905, and with general business far more favourable than on last New Year's Day.

Two of perhaps the most momentous events in the transportation world here are found in the rumoured prospective retirement of James J. Hill, and in the sudden death of A. J. Cassatt, president of the Pennsylvania Railroad Company. Mr Hill has left a wide and deep imprint for prosperity and economical transportation in the great North-West, and is virtually all that stands between competitive railroad operation West of the Mississippi River and the complete domination there of Edward H. Harriman. What Mr Cassatt has planned for the Pennsylvania Railroad, its development and its future will keep his successors busy for the next quarter of a century in carrying out. Something of the quality of his work has been explained in that while for the decade ending 1899 the road's gross earnings gained only one-third,

during the next five years they jumped from \$88,000,000 to \$133,000,000, or a little more than 50 per cent. The inference is that this enormous increase in earning capacity was caused by improvements to the property, for there had been no noteworthy extensions. The Pennsylvania had, in fact, been merely increasing its earnings possibilities in the territory already reached. And only those who are good practical judges know how much more the Cassatt plans of the last year or two mean with respect to the possibilities of the company's ability to meet demands of stockholders.

What *Bradstreet's* describes as the statistical story of the United States for 1906 is summarised in the following:—

AGRICULTURAL YIELDS and VALUES.

	Yields, 1906.	Inc. or Dec. Compared with 1905.	Past Records.	Year.
Corn, bushels.....	2,927,416,091..	+ 8..	2,707,993,540 ..	1905
Winter wheat, bush.	492,888,004..	+ 15..	458,834,501 ..	1901
Spring wheat, bush.	242,372,066..	- 8..	293,185,322 ..	1899
Total wheat, bushels	735,260,970..	+ 6..	748,460,218 ..	1901
Oats, bushels ....	964,904,522..	+ 1..	987,842,704 ..	1902
Barley, bushels....	178,916,484..	+ 31..	139,748,958 ..	1904
Rye, bushels .....	33,374,833..	+ 20..	33,630,592 ..	1902
Buckwheat, bushels	14,641,937..	+ 0.4..	22,791,839 ..	1866
<b>Total six cereals</b>	<b>4,854,514,837..</b>	<b>+ 7..</b>	<b>..</b>	<b>..</b>
Flaxseed, bushels..	25,576,146..	- 10..	29,285,000 ..	1902
Potatoes, bushels..	308,038,382..	+ 18..	332,830,300 ..	1904
Hay, tons .....	57,145,959..	- 5..	66,829,612 ..	1889
Tobacco, pounds..	682,428,530..	+ 8..	821,823,963 ..	1902
Rice, bushels ....	17,854,768..	+ 38..	21,096,038 ..	1904
Cotton, bales.....	12,546,000..	+ 10..	13,600,000 ..	1904
Sugar, tons .....	1,239,000..	+ 3..	1,205,717 ..	1905
Wool clip, pounds	298,913,130..	+ 1..	324,107,462 ..	1902
Hops, pounds ....	56,000,000..	+ 9..	51,200,000 ..	1905

	Values, 1906.	Inc. or Dec. Compared with 1905.	Past Records.	Year.
Corn .....	1,166,626,470..	+ 5..	1,116,696,738 ..	1905
Wheat .....	490,332,760..	- 5..	518,372,727 ..	1905
Oats .....	306,292,976..	+ 10..	303,584,852 ..	1902
Barley .....	74,235,907..	+ 35..	61,898,634 ..	1902
Rye .....	19,671,243..	+ 17..	24,589,217 ..	1891
Buckwheat .....	8,727,443..	+ 2..	16,812,070 ..	1867
<b>Total six cereals</b>	<b>2,065,886,799..</b>	<b>+ 4..</b>	<b>1,992,184,324 ..</b>	<b>1905</b>
Flaxseed .....	25,899,165..	+ 8..	24,049,072 ..	1905
Potatoes .....	157,547,392..	- 2..	160,821,080 ..	1905
Hay .....	592,539,671..	+ 14..	570,882,872 ..	1893
Tobacco .....	68,232,647..	+ 40..	58,283,103 ..	1901
Rice .....	16,121,298..	+ 31..	13,891,523 ..	1904
Cotton .....	600,000,000..	- 7..	641,720,435 ..	1905
Wool .....	79,721,383..	- 1..	80,415,514 ..	1905

	Value all farm products	Inc. or Dec. Compared with 1905.	Past Records.	Year.
	6,794,000,000..	+ 8..	6,309,000,000 ..	1905

FINANCIAL and INDUSTRIAL TOTALS.

	1906.	Inc. or Dec. Compared with 1905.	Past Records.	Year.
Bank clearings....	159,000,000,000..	+ 11..	143,045,775,850 ..	1905
Imports mrdse, est.	1,300,000,000..	+ 10..	1,179,358,846 ..	1905
Exports mrdse, est.	1,800,000,000..	+ 11..	1,626,962,343 ..	1905
Total trade, est. ..	3,100,000,000..	+ 11..	2,806,321,189 ..	1905
Railway earnings, 10 months ....	1,588,453,706..	+ 13..	1,401,528,726 ..	1905
Circulation Dec. 1	2,869,074,255..	+ 8..	2,662,134,539 ..	1905
Circulation per cap	33.66..	+ 6..	31.75 ..	1905
Building expenditure.....	750,000,000..	+ 7..	700,000,000 ..	1905
N. Y. stock sales, shares .....	287,000,000..	+ 10..	265,577,354 ..	1901
N. Y. bond sales, value .....	673,000,000..	- 34..	1,036,810,560 ..	1904
Busin's fail's No.	9,400..	- 6..	15,560 ..	1893
Failure liabilities..	120,000,000..	- 1..	402,000,000 ..	1893
Pig-iron output, tons	25,000,000..	+ 9..	22,992,380 ..	1905
Iron ore shipments.....tons	38,263,000..	+ 11..	34,353,456 ..	1906
Steel rail production .....	3,700,000..	+ 10..	3,372,357 ..	1905
Anthracite coal mine products, tons	63,099,000..	- 9..	69,339,152 ..	1905
Labour strikers...No	550,000..	+ 175..	650,000 ..	1903
Immigration, total number .....	1,227,000..	+ 16..	1,055,834 ..	1905

The wonderful business development of the past twelve months contains nothing more remarkable than the running up of commodity prices to a war level without demand being affected in the slightest, and, with a volume of new business booked larger than at any preceding like date. With from three to nine months' orders announced by jobbers, importers, wholesalers, and manufacturers, good judges are sure they are not overstepping the limits when they calculate on another year of great prosperity, depending only on the one condition of good crops. Then there are the three factors—labour, prices, and money, the first and last of which are scarce and hard to get, while prices exceed previous high records. They will surely have much to do with the course of the new business year. Much will depend on the conservatism shown from now on by organised labour, on the intelligence indicated by Congress and by bankers with reference to our currency and general financial system, and by buyers and sellers at large in their dealing with a situation which involves the highest prices for materials of all kinds, raw, semi-fabricated, and finished.

In the financial world the general estimate is that the figure of Edward H. Harriman stands pre-eminent in connection with the events which made 1906 famous; first, because he wrested control of Illinois Central from Stuyvesant Fish (which fight, by the way, will be renewed at next October's annual meeting); second, because he secured a dominant interest in Baltimore and Ohio, and so extended his Union Pacific system *via* Chicago and Alton, from St Louis and Chicago, to Washington, Philadelphia, and New York; and, third, because of his dividend coup in Union and Southern Pacific, by which he is said to have made \$5,000,000 for himself in the upheaval which followed among security quotations in Wall Street. The excellent condition, equipment, and high earning capacity of the Union Pacific system are regarded as monuments to his ability as a railroad rehabilitator, when its status of 10 years ago is recalled, together with the fact that he himself was practically an unknown man in 1900, six years ago, at the age of 54.

The addition of 6,067 miles to the railway mileage (according to the *Railway Age*) is the largest recorded in 18 years. In 1888 the total was 7,106 miles, and in 1887 it was 12,983 miles. In full, the yearly records since were:—

Year.	Miles Built.	Year.	Miles Built.
1906.....	6,067	1896.....	1,848
1905.....	5,000	1895.....	1,803
1904.....	4,252	1894.....	1,949
1903.....	5,786	1893.....	2,635
1902.....	5,684	1892.....	4,192
1901.....	5,222	1891.....	4,281
1900.....	4,437	1890.....	5,670
1899.....	4,588	1889.....	5,230
1898.....	3,083	1888.....	7,106
1897.....	1,880	1887.....	12,983

There is some significance attached to the rising scale of total new mileage annually since 1895. The grand total of railway mileage to-day is 223,139 miles, and, as was to be inferred, the heaviest amount of new construction was beyond the Mississippi River, 1,518 miles in South-Western States, 1,149 in Pacific States, 1,130 miles in North-Western States, and 728 miles in Gulf, Mississippi valley States, and 804 miles in South Atlantic States. The opinion is expressed that the 2,280 miles completed during 1906 in the North-Western States and on the Pacific slope may be expected to be largely exceeded during 1907. This becomes evident when it is recalled that there are 1,700 miles of new line under contract in Washington, Idaho, and Oregon, and still more under construction; when it is also recalled that the Gould and St Paul extensions are soon to be made to count heavily, and that it is by no means certain that Chicago North-Western may not ultimately decide to push on to the coast.

## GERMANY.

(FROM OUR OWN CORRESPONDENT.)

BERLIN, January 9.

The first Bank return of the year, which was issued to-day, makes a very good showing when compared with that of a year ago. The improvement of the week amounts to £12,000,000, as against £10,000,000 at this time last year. The final return of 1906, however, was much worse than had been expected; it was the most unsatisfactory return, perhaps, in the history of the Bank, showing the lowest metal stock for a great many years, and the highest note circulation ever known. That return showed not less than £28,600,000 notes in circulation above the free limit, as compared with £17,700,000 at the end of 1905, and £25,000,000 at the end of last September. Hence notwithstanding the improvement just announced for the first week of the year, the Bank is still in a very weak position. The metal stock is more than £6,000,000 lower than a year ago, while the note circulation is £4,500,000 greater. The total outlay in discounts, advances, and Treasury Bills is £10,000,000 greater than a year ago.

In view of the weak position of the Bank, it is regarded as practically certain that no decision will be taken in reference to a reduction of the Bank rate before the publication of the return for the 15th inst. While a reduction at that time is highly probable, it will depend upon the movement during the current week, and it would be rash to predict it. The rate of private discount has risen to 5½ per cent., after it had touched 5 per cent. on the first business day of the year. The rate for advances at call, too, keeps up well. To-day it averaged about 5½, while money for Friday, when large payments are due at the Reichsbank, was arranged for at 6 per cent. It is highly probable, however, that the worst of the present strain is now over, and that a considerably easier tendency should set in by the middle of the month.

The bourse is unfavourably affected by fears regarding the international money situation. The latest gold movement at the Bank of England, together with the sharper tension at New York yesterday, raised doubts whether the English institution will reduce its rate to-morrow, as this market had confidently expected. This feeling of uncertainty made itself felt upon the day's trading, and considerable selling was observed during the course of the business session. This selling had but slight influence upon prices, as pretty good orders came in from the outside public. A good impression was made by the extremely cheerful remarks of the Prussian Finance Minister in the Diet yesterday in reference to the prosperous state of the country's business. Some iron specialities rose buoyantly to-day.

The new capital issues in Germany during 1906 did not reach the level of 1905. As compiled by the *Frankfurter Zeitung*, they amounted to £140,654,000, as against £155,324,000 in 1905, and £90,690,000 in 1904. The decrease last year was wholly in interest-bearing paper, issues of which amounted to £92,839,000, as compared with £119,973,000 in 1905. (The large figures for 1905 were mainly due to the Russian and Japanese loans of that year.) On the other hand, stock issues totalled £47,815,000, as against £35,351,000 in 1905. The following table exhibits the issues in detail for three years:—

	1906.	1905.	1904.
	£	£	£
Home Government loans..	33,448,000	22,734,000	14,143,000
Foreign Government loans	8,180,000	33,819,000	4,352,000
Municipal and provincial loans .....	21,489,000	20,912,000	10,838,000
Mortgage bank obligations	16,856,000	25,932,000	24,436,000
Miscellaneous obligations..	12,864,000	16,565,000	9,962,000
Bank stocks.....	14,498,000	10,172,000	10,072,000
Railway stocks .....	2,123,000	553,000	3,445,000
Industrial stocks .....	31,214,000	24,626,000	13,380,000

The turnover at the German clearing-houses in 1906 amounted to £2,101,700,000, as compared with £1,800,000,000 in 1905, and £1,631,000,000 in 1904. The official discount rate in Germany last year averaged 5.15 per cent., as against 3.82 per cent. in 1905. The



rate averaged higher last year than for any year since 1900, when it was 5.33 per cent. The open market rate showed an average of 4.04 per cent. in 1906, as compared with 2.84 per cent. in 1905, and 4.46 per cent. in 1899.

The Speech from the Throne upon the opening of the Prussian Diet yesterday announced that a Bill would be brought in for revising the mining laws in the direction of giving the State a prior right on all coal, salt, and other mineral deposits hereafter proclaimed as mining territory. The salt deposits referred to are, of course, chiefly potash salts. The Bill, it is understood, does not contemplate a complete and immediate Government monopoly upon coal and potash fields discovered in future, but mining rights will be conceded to private individuals only for such periods as the Government may think expedient. Before the publication of the Bill it is not possible to give its details, but it seems that such guarantees will be made to discoverers of new mineral deposits as to make it worth their trouble to undertake exploration work. The Government is doubtless moved to act in this direction just at this moment, owing to the fact that a quite unusual activity now prevails in boring for deposits of coal and potash salts, and the discoveries of both minerals during the past few years have been very many.

Although the Prussian Government has been for a great many years the owner and operator of coal and salt mines, as well as of other industrial undertakings, the Bill mentioned in the Throne Speech will be a much longer step in the direction of State Socialism than was involved in the existing establishments, for it seems to have in view the gradual elimination of private ownership altogether. Opinions on such subjects are curiously inconsistent in Germany. The Government and the Conservative parties are strenuous in their opposition to Socialism, yet they do not hesitate to adopt Socialistic measures of the most far-reaching character. The Bill in question will doubtless be passed by the Diet without serious opposition, since most of the German people, excepting those having a direct pecuniary interest in coal and other deposits, really prefer to see the mineral wealth of the country owned by the State rather than by private companies. More than two years ago, when the Prussian Minister of Commerce was trying to secure control of the Hibernia Coal Company, many expressions in favour of the nationalisation of coal deposits were heard in Conservative quarters, and it was even asserted that a majority for such a measure could have been had at that time in the Diet.

The Prussian Budget for 1907-8, published yesterday, brings much evidence of the continued growth and prosperity of the country. The public revenues are estimated at £154,355,000, being a gain of £13,838,000 over the current year. Notwithstanding this increase in receipts, an equal gain is shown in expenditures, and provision is even made for raising a loan of £5,000,000, if this should become necessary. In view of the increased cost of living, the wages and salaries of 59,200 Government *employés*—railway and shop labourers, foresters, policemen, and *gensdarmes*—are to be raised, and the sum of £700,000 is asked for this purpose. The State railways are estimated to yield a revenue of £26,825,000, or £700,000 more than for 1906-7, after providing for large increases of expenditure for improving roadbeds, new locomotives and wagons, and other purposes. The administration of mines and salt works is credited with an increase of £920,000 in earnings in a total of £12,239,000, but an increase of expenses for wages and new construction by £1,000,000 is provided for.

This week an important fusion in the coal industry has been announced. The Eschweiler Bergwerk will absorb the Wurmrevier Company, both of the Aix-la-Chapelle district. The Eschweiler concern has a capital of £900,000, produces nearly 1,000,000 tons of coal yearly, operates 270 coke ovens, with 178 buildings, and also owns large iron ore deposits in Lorraine, where it has two blast furnaces. The Wurmrevier Company has a capital of £850,000, and produces about

1,050,000 tons of coal yearly. For the past four years the Eschweiler Company has paid a yearly dividend of 14 per cent., while the dividend of the other company has been 8 per cent. each year. It is expected that Eschweiler will increase its capital by about £530,000 in carrying through the fusion.

## Correspondence.

### THE IMPERIAL GUARANTEE AND SOUTH AFRICAN LOANS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—In a debate in the House of Lords on land settlement in the new colonies, Lord Milner is reported to have said: "The whole of the £35,000,000 loan, out of which this £3,000,000 was taken, has been guaranteed by the British Government. If it had not been for that guarantee, the two colonies could not have raised a penny of it. Whatever money they did raise would have been at least at 4 per cent. The mere fact of our giving that guarantee has saved the colonies £350,000 a year in interest on that loan." According to a cabled report, Mr Churchill has said much the same in the House of Commons. I venture, however, to query the statement. The £35,000,000 was raised at 3 per cent., with  $\frac{1}{2}$  per cent. as sinking fund. The official returns of the Inter-Colonial Council show that the discount and expenses of raising the loan came to £407,163. This means that the net proceeds of the loan were £98 16s 8 $\frac{1}{2}$ d, and the effective interest £3 10s 9d per cent. The Cape raised a 3 per cent. loan in 1902, and the result may be compared with that of the guaranteed loan.

	Amount.	Rate of Interest per Cent.	Net Yield per Cent.	Effective Rate of Interest per Cent.
Cape .....	£ 3,061,600	3	£ s d 93 10 5 $\frac{1}{2}$	£ s d 3 4 1 $\frac{1}{2}$
Transvaal and Orange River Colony.....	35,000,000	3	98 16 8 $\frac{1}{2}$	3 10 8 $\frac{1}{2}$

I may add that the Cape did even better in February, 1899, when a loan of £3,107,400 was raised at 3 per cent. The net yield was £94 15s 8 $\frac{1}{2}$ d, giving an effective rate of interest of £3 3s 3 $\frac{1}{2}$ d per cent., or nearly 7s 6d per cent. less than 3 $\frac{1}{2}$  per cent., the figure suggested by Lord Milner as the lowest rate at which the new colonies could have borrowed in 1903.

No doubt, it is not certain that the new colonies could have borrowed £35,000,000 in 1903 as cheaply as the Cape could borrow £3,000,000 in 1902 or 1899. But on March 4, 1903, Lord Milner himself estimated the probable surplus available for the payment of interest on debt at £2,000,000, and even this he considered a very moderate estimate. Taking all the circumstances into consideration, there would surely seem to be good grounds for questioning Lord Milner's statement that the Transvaal and Orange River Colony could not, without the Imperial guarantee, have borrowed at a less rate of interest than 3 $\frac{1}{2}$  per cent., in view of the fact that in the preceding year the Cape was able, without any such guarantee, to borrow at under 3 $\frac{1}{2}$  per cent. Moreover, there is a general opinion in South Africa that much of the advantage of the guarantee offered was thrown away when it came to spending the loan money by officials for whose actions the people of South Africa are not responsible, except financially.

As to various far-reaching inferences, all to the disadvantage of South Africa, have been drawn from the contrary suggestion so frequently and now so authoritatively stated, I trust that you will allow me to point out its questionable character.—I am, Sir, your obedient servant,

H. E. S. FREMANTLE.

Library of Parliament, Cape Town,

December 19, 1906.

[Perhaps the best commentary upon our correspondent's contention is afforded by the fact that

two small loans issued this week by the Cape and Natal Governments respectively bear each interest at  $3\frac{1}{2}$  per cent., and are offered at 95. Consequently, without making any allowance for sinking fund or for the expense of raising the loans, the effective rate of interest to be paid is £3 13s 8d per cent.—ED. ECON.]

### BOOKS RECEIVED.

*Commerce in War.* By L. A. Atherley-Jones, K.C., M.P., assisted by Hugh H. L. Bellot, M.A., D.C.L. (London) Methuen and Co., 36 Essex street.

*Willing's Press Guide and Advertisers' Directory and Handbook for 1907.* (London) James Willing, jun., Limited, 125 Strand, and 73 Knightsbridge.

*The Japan Year-Book, 1906.* Published by the Japan Year-Book Office, 31 Kobiki-cho Kuchome, Tsukiji, Tokyo. (London) The Japan Press, 7 Byward street.

### NEW LOANS AND NEW COMPANIES.

The new issues of the current year, exclusive of vendors' shares, &c., have been as follows:—

Capital Applications.	Nominal Capital.	Amount Offered to the Public.	First Payment Thereon.	Further Liability.	Amount previously recorded.
Issues of the week—		1,094,500			
Anderson (George) and Co. (1906) 6% Cum. Pref.	10,000	10,000	10,000		
Burmah Oil, 6% Cum. Pref. £10	250,000	250,000	62,500	187,500	
Penhalonga Prop. Mines, 6% Deb. Certs., £50	61,850	61,850	61,850		
Siberian Prop. Mines, £1, at £12 10s	16,000	200,000	200,000		
Otavi Mines and Railway Co., £5, at £7 5s	150,000	217,500	30,000	187,500	
Cape of Good Hope Cons. 3½% Stock, at £95	994,350	944,633	49,718	894,915	
Mexican National Packing Co., 5% First Mort. Conv. Gold Bonds, at 95%, or £19 9s 11d per £100	266,528	252,911	26,000	226,911	
Nerchinsk Options	40,000	40,000	5,000	35,000	
Imperial Chinese Railways (Shanghai-Nankin Line) 5% Sterling Bonds	650,000	650,000	32,500	617,500	
Natal 3½% Cons. Stock, at £95	725,000	688,750	36,250	652,500	
*Corporation of Western Egypt	235,143	235,143	23,393	205,750	
		3,550,787	543,211	3,007,576	
* Partly subscribed abroad.					
Total offered for subscription to date in—		Total offered for subscription for the whole year—			
1907	44,645,287	1906	£120,173,780		
1906	1,885,761	1905	167,188,408		
1905	9,413,382	1904	123,019,689		
1904	4,386,000	1903	108,426,680		
1903	4,143,142	1902	153,811,987		
1902	10,484,976	1901	159,358,498		

### NEW CAPITAL ISSUES.

**Mexican National Packing Company.**—This company is incorporated under the laws of the State of New Jersey, with an authorised capital of \$10,000,000, of which \$7,500,000 have been issued, and \$2,000,000 in 5 per cent. 1st mortgage gold bonds. Of the latter, \$1,300,000 are now offered for subscription through Martin's Bank, Limited, at the price of 95 per cent., with a bonus of \$20 fully-paid common stock for every \$100 bond allotted. The information given in the prospectus is rather meagre, but it appears that one packing house has been built, and the proceeds of the present issue are to be devoted to installing the machinery, and building and equipping two other houses. An agreement with the Mexican Government has been made, securing a considerable rebate on the slaughtering taxes now prevailing, and arrangements have been entered into for the distribution of the company's products in Great Britain. Estimates of profits are given showing a wide margin beyond the amount necessary for the service of the bonds, but such estimates are purely conjectural, and the issue should be treated as a speculative risk.

**Nerchinsk Options, Limited.**—This company is an offshoot of the Nerchinsk Gold Company, Limited. It has a capital of £50,000, in £1 shares, and acquires from the parent company a licence to prospect and lease any gold mines it may select in the Mala Koudichi Valley, Siberia. It may not, however, work the mines itself, but must promote separate companies in conjunction with the Nerchinsk Gold Company, which will share in the proceeds of such flotations. The venture is a pure gamble, and, in view of the history of this group, not an attractive one.

**Cape of Good Hope Consolidated Stock.**—The London and Westminster Bank offers for subscription £994,350 3½ per cent. consolidated stock at the price of £95 per cent.,

ranking *pari passu* with the £13,000,000 already created, and redeemable at par in 1949, or on 12 months' notice after July, 1929. The proceeds of the stock, which is a trustee investment, will be devoted to railway, harbour, and local works.

**Imperial Chinese Railways.**—An issue is announced through the Hong Kong and Shanghai Banking Corporation of £650,000 5 per cent. sterling bonds of the Imperial Chinese Railways at par. The proceeds are to be devoted to the construction and equipment of the Shanghai-Nanking Line, and the bonds form part of a total loan for £3,250,000, of which £2,250,000 has already been issued. The loan is for 50 years from June, 1903, but is redeemable at 102½ per cent. after 12½ years from that date, and at par after 25 years, at the option of the Chinese Government. Both principal and interest are unconditionally guaranteed by the Government, and a loan agreement provides that in the event of default the railway shall be handed over to the British and Chinese Corporation, Limited, contractors for the loan.

**Corporation of Western Egypt, Limited.**—This company was formed to acquire a land concession in the Oases of Khargeh for purposes of irrigation and development, and to build a railway from the Nile to the Oases. The capital is £500,000 in £1 shares, of which 264,857 have been issued, and the remaining 235,143 shares are now offered for subscription at par. The additional capital is needed to complete the Western Oases Railway, of which some 77 kilometres, out of 194 kilometres, has been already built. Favourable reports are given of the value of the lands, which it is stated can be rapidly brought into a state of readiness for sale on the completion of the railway. Land companies of this class are much in favour just now, and the present venture has fair possibilities, but it would have been more satisfactory if definite results had been obtained before fresh capital was asked for. It would also have been as well if the prospectus had stated what the construction of the railway so far had cost, so that an estimate could have been formed of the amount necessary to complete the line, and the margin left for development of the estates.

**The Egyptian Mail Steamship Company, Limited.**—It is announced that on Tuesday next the prospectus of this company will be issued, inviting subscriptions for 20,000 ordinary shares of £10 each at a premium of £1 per share, out of a total capital of £660,000.

**Natal 3½ per Cent. Stock.**—The London and Westminster Bank offer for subscription £725,000 Natal 3½ per cent. Consolidated Stock at the price of £95 per cent. The stock will be in addition to, and rank *pari passu* with, the existing £5,000,000 Natal 3½ per cent. stock, and is repayable in 1944, or redeemable at the option of the Government at par on 12 months' notice after August 1, 1934. The proceeds are to be devoted to railways and their equipment, harbour works, telegraphs, and other public works of a permanent character. The stock is a trustee investment.

**The Imperial Ethiopian Rubber Company, Limited.**—This company has been formed to acquire and work a monopoly for the collection and export of india-rubber from the whole of Abyssinia for a period of 25 years, and also to carry on a general trading business. The capital is £150,000, in 120,000 "A" shares and 30,000 "B" shares. The "B" shares rank equally for dividend after the "A" shares have received 10 per cent., and when the latter have received altogether 100 per cent. both classes rank alike. Subscriptions are invited for 46,000 "A" shares, the whole of the "B" shares being taken by the vendors as part of the purchase price of £54,000. The vendor company is stated to have established stations and commenced trading, but there is nothing to show what profits it has realised.

### MEETINGS, &c.

#### SOUTH-WEST AFRICA COMPANY, LIMITED.

The annual general meeting of the shareholders in the South-West Africa Company, Limited, was held, on the 7th inst., at the Cannon street Hotel, London, Mr Edmund Davis (the chairman) presiding.

The secretary (Mr C. Launspach) having read the notice convening the meeting and the auditors' reports,

The Chairman said: Gentlemen—On June 30th last we forwarded you the company's balance-sheet covering a period of eighteen months to December 31, 1905. The balance-sheet covering the further half-year to June 30, 1906, together with the directors' report, was sent you on December 31st last. Both these balance-sheets are now submitted to you for adoption to-day. As no questions can arise upon the former balance-sheet which are not dealt with in the latter, I will only deal with the contents of the one at this meeting, so as not to unnecessarily detain you. On the debit side of the balance-sheet at June 30, 1906, you will observe that at that date there had been issued 1,160,000 shares. The 160,000 shares were part of the 200,000 which were underwritten in 1903. In view of the very unfavourable state of the markets, the offer of the 200,000 shares to the

shareholders was deferred from time to time. To enable the company to satisfy the calls upon the Otavi shares as they became due, advances free of interest were made to the company by the underwriters from time to time, and in the early part of last year an arrangement was made whereby they agreed to pay up the balance due on the shares underwritten by them by March 30, 1906, the company agreeing to extend the option granted to them until April 30, 1910. This arrangement has now been carried out, and all the underwriters have paid up in full, I and my friends having taken over 20,000 shares, with the corresponding option, from one group of the underwriters in order to facilitate the completion of the arrangements. On June 30, 1906, there remained 40,000 shares unallotted of the 200,000, upon which £40,000 had already been advanced, and this final allotment was only made on October 31, 1906. The 200,000 shares were in due course offered, as promised, to the shareholders pursuant to the company's agreement with the underwriters, who remain with their call of 200,000 shares at par. With a view to securing further cash resources for the company, the directors assented, early in November last, when the price of the shares was about 15s 6d, to the disposal of 50,000 shares of the company at par, with calls extending over four years on a further 200,000 shares. In order to carry out the arrangement, I found that it was absolutely necessary for me to take a participation in it, as otherwise I could not have induced my friends to entertain the matter, and, accordingly, I undertook, with the approval of all the members of the board, to take over a one-fifth interest. Finally, we were able to get rather better terms for the company, and it was arranged that the 50,000 shares should be sold at par, with calls over four years upon 200,000, at prices ranging between par and 27s 6d. The amount due to creditors is £745 18s, representing various running accounts, the greater part of which have been paid.

Turning to the credit side of the balance-sheet, the amount of cash speaks for itself, and, of course, as you will realise, was in no way adequate for the development of our vast enterprise. Of debtors, £19,024 11s 11d, the sum of £5,000 has since been received. A large part of the balance is made up of amounts due from a joint venture with another company; these have not yet been collected, but are perfectly good. The company's holding in the Otavi Company has now been fully paid up, and that holding now stands in the balance-sheet at £392,624 14s, and will be referred to later on. The item "By shares and interests in other companies" has also been increased by £12,000 odd. This represents an increased participation in the Damara and Namaqua Trading Company, which is doing a fairly satisfactory trading business. The item "Stamp duty on new capital not yet issued, £2,100," stood at £2,500 in the foregoing year. This amount was the stamp duty payable on the last increase of the capital of the company from £1,000,000 to £2,000,000. Upon the issue of the 160,000 shares which I have already mentioned, a proportion of this duty, being £400, was taken off this item and placed to expenditure account. The £400 is included in the item stamp duty and commission on issue of new capital, £2,900. Our African expenditure, you will notice, has been exceedingly small, as all the work done in mining operations and railway construction has been by and for account of the Otavi Company. Our general representative was employed for over a year in the Cape Colony in connection with the supply of provisions to the German troops, and his salary and general expenditure incurred have been debited to this particular venture. I do not think there is anything else in the balance-sheet which calls for explanation. You will have observed that the excess of revenue over expenditure earned by the company during the two years ended June 30, 1906, is £17,295 16s 9d. Having dealt with the balance-sheet, you will realise that the financial position of the company is entirely satisfactory. We have to-day total cash resources amounting to about £70,000, which capital will be required in connection with the active and proper development of our property. This will now be taken in hand, as it will be greatly facilitated by means of rapid communication afforded by the Otavi Railway, which has a total length of 351 miles. The railway, as you are aware, is not only constructed for the working of the mines and the Otavi Company's property, but will also carry all kinds of traffic for the South-West Africa Company, the Government, and the public. Previous to dealing with our general assets it is necessary that we should give you the latest information in connection with our holding in the Otavi Mines and Railway Company, particulars of which are set out in the prospectus issued on Saturday last. The company, as you are aware, has been formed with a capital of £1,000,000, divided into 200,000 ordinary shares of £5 each, and 200,000 "Genuss-scheine," which we will call deferred shares of no nominal value. The only difference between these two classes of shares, as regards distribution of profits, is that the ordinary shares are entitled, in the first instance, to a dividend of 5 per cent., and, after deduction of a percentage of profits due to the board, the surplus is divisible equally among the ordinary and the deferred shares. As you know, we have ceded to the Otavi Company 1,000 square miles of mineral rights and the right to select in the 1,000 square miles 500 square miles of freehold. In addition, we have ceded to the Otavi Company, where its railway line runs through our property, a strip of mineral rights of 30 kilometres on each side of the said line, to be held by the Otavi Company as to two-thirds for their account and one-third for our own, and we have, in addition, ceded where the line runs through our freehold grant a strip of freehold, 10 kilometres wide, on each side of the railway. It is impossible for us to give you with accuracy in square miles of acreage, the extent

of these additional interests of the Otavi Company, as our staff and the Otavi Company's staff are completing the survey, in the first instance, of the 1,000 square-mile block, and not until this is located are we able to define the boundaries of the other grants referred to. In addition to these grants you will see by the prospectus of the Otavi Company that the latter has made an arrangement with the Deutsche Kolonial-Gesellschaft für Südwest Afrika whereby the Otavi Company becomes entitled to mineral and freehold grants in alternate blocks on each side of the line, so far as the same traverses the concession of the Deutsche Kolonial-Gesellschaft für Südwest Afrika, aggregating about 2,700 square miles of mining rights and 500 square miles of freehold.

Having dealt with the extent of the properties held by the Otavi Company, it is now necessary to deal with the mines they intend to work, and, to begin with, we will deal with the mine which will be immediately exploited—namely, the Tsameb. You have been informed from time to time of the development of this property, and on a previous occasion we have pointed out to you that, according to the late Mr Christopher James, a profit of £390,000 a year should be made on the basis of 308 working days, and the treatment of 61,600 tons of ore per annum, which should mean a yearly product of 7,761 tons of metallic copper and 14,697 tons of metallic lead, and that down to the second level, which was the extent of the work carried out under his management. This profit should be made for 4.7 years from ore in sight and ready for extraction. These calculations were based on the price for copper of £60 per ton and for lead of £12 per ton. This mine, as you are aware, was taken over by the Otavi Company in 1903. Two shafts were originally sunk by Mr James, and one of these has now been sunk to the third level, a total depth of 230 feet. On this level a crosscut has been driven, and, according to our latest advices, has been for the last 40 feet in ore; the level itself has also been driven 36 feet in ore, assays of which are not yet to hand, but information has been received by cable that the ore is very valuable in copper. The Otavi Company has shipped four lots of 50 tons each of average samples of the ore from different parts of the mine, which have been assayed, and in some cases smelted. It is most satisfactory to see that the results obtained fully confirm Mr James's estimates as to value. The first two lots of 50 tons each give an average of about 10 per cent. copper and 50 per cent. lead from ore from the one portion of the mine, and about 16 per cent. copper and 30 per cent. lead from ore from the other portion, the smelting of the other two lots not being yet completed. On December 1, 1906, the first level had a total length of 310 feet and the second level 410 feet, the length of the second level being 62 feet in excess of the work carried out by Mr James; but the whole of the new work carried out on the mine under the present management has gone to prove Mr James's estimate, when he says: "I think I may fairly assume that as much ore occurs again in depth and of a similar value, which would raise the life of the mine to eight and a-half years." The necessary smelting works to deal with the ore are being erected on the mine, and these will be of sufficient capacity to treat, in the first instance, about 120 tons per diem, and should be in operation in May of this year. It is not intended at the moment to carry out two smelting operations on the spot; but, in the first instance, to ship to Europe the lead produced and a 40 per cent. to 50 per cent. matte to undergo further smelting, and only after most careful consideration of the subject, with definite results, will it be settled whether a second smelting shall take place on the mines, at Swakop or in Europe, the principal question to be taken into consideration being the cost of transport. You will have observed that arrangements have been made for the working of the mine on a very large scale, and it will interest you to hear that there are already engaged on the mine, the waterworks, and other undertakings connected therewith, a total of 507 natives, which includes 181 Hereros, 208 Ovambos, and 118 natives of other tribes, showing that the Otavi Company will not have to rely upon only one source of native labour supply, but will be able to draw upon the different tribes of the country. There are 83 white men at work, though this number will now be considerably reduced, as 29 were employed in connection with the waterworks and laying of the pipes, which work is completed; but, on the other hand, additional labour will be required in connection with the smelting operations so soon as the necessary plant, which has been shipped, is erected. The Otavi shares have been issued here by Messrs A. Goertz and Co., Limited, and in Hamburg by the Norddeutsche Bank; and, for the purpose of estimating our asset in this company—namely, 80,000 ordinary shares and 140,000 deferred shares—I will take the issue price of the ordinary shares—i.e., £7 5s per share—leaving to you to make a precise valuation of our deferred holding; but, as the ordinary shares are entitled to only 5 per cent. dividend previous to equally sharing in profits with the deferred, I think, as a very conservative estimate, that you may in any case take the deferred shares at £5 per share, and, consequently, our holding would work out at £1,280,000, or more than the par value of our total issued capital—namely, £1,250,000—which includes the 50,000 shares we have disposed of. We do not think you should restrict your valuation to to-day's price of the Otavi shares, but look to the question of dividends which will accrue to this company from this single investment, and to enable you to do this it is necessary we should again point out that our total holding entitles us to about 55 per cent. of the profits distributed by the Otavi Company, and if (taking Mr James's figures of copper at £60 per ton and lead at £12 per ton) the Otavi Company earned £390,000 a year, we should be entitled to about

£200,000, and every £1 rise in copper over £60 per ton should make a difference to us of about £3,750 a year, and every £1 rise in lead over £12 per ton a difference of about £7,000 a year. Therefore, with copper at £100 per ton, there should be an addition of £150,000, and with lead at £20 one of £56,000, or a total to this company of about £400,000. As regards the other mines so far discovered in the 1,000 square mile area ceded to the Otavi Company, it is only necessary, at this meeting to mention the fact that a certain amount of work has been carried out on one of them—namely, the Otavi Mine—from which the company has taken its name, which work has gone to prove the existence of a very rich copper-bearing ore body, though it was realised early in the development operations that sufficient ore could not possibly be developed in a short time to warrant the construction of the line to the coast. This was much easier in the case of a property like Tsumeb, where we had to deal with an outcrop 550 feet long, standing boldly above the surface, and, consequently, the principal work was concentrated on Tsumeb. At the same time, the work on Otavi has proved the existence of a mineralised lode containing about 30 per cent. of copper. So soon as operations are in full swing at Tsumeb I think we may expect to see the management of the Otavi Company take up the question of developing the Otavi Mine and of two other copper mines known to exist in its vicinity. It is our intention to retain our interest in the Otavi Company intact, and we are only sorry it is not larger, as we look to receiving very large dividends from this investment. Now that the railway is completed, we have determined to throw open the territory to prospectors, and we have, therefore, drafted a mining ordinance, which we will shortly submit to the German Government. We also intend, so soon as the survey of our freehold land is completed, to assist suitable settlers by making advances in cash or otherwise, and at the same time make sales of land to *bond fide* occupiers who are prepared to settle in the country, and in such cases land would be sold on easy terms, so as to enable those purchasing to gradually pay the purchase price out of the revenue they should derive from cultivation, as, not only will they have railway communication with the coast for disposal of their produce, but also a ready market at the mining centres which will be opened out by the Otavi Company.

As regards the mineral rights in the balance of our territory, we know of the existence of gold-bearing formation some distance to the west of Tsumeb, and we also know of the existence of copper in the Kaokofeld territory, in which we are so largely interested, and of copper and gold-bearing strata in the Hanseatic Company's territory, in which we also hold a large participation. It is our intention to ask the boards of these respective companies to throw open their territories to prospectors under the terms of the ordinance we have drafted for our own company, which we hope the directors of the other companies referred to will see their way to adopt. Now that we have assisted in taking the first important step in the development of the colony by the construction of 350 miles of railway from Swakop to Tsumeb, we think we may lay claim to having gone a long way towards settling any difficulties which might have arisen for the Government with the native tribes in this portion of its colony; and we are pleased to be able to inform you that, though there have, at times, been difficulties in the construction of the line for want of labour, the work has been successfully carried out during a period of disturbance in the other parts of the colony. These disturbances may now be regarded as practically at an end. In any case, the shareholders of the South-West Africa Company should bear in mind that our property is situated many hundreds of miles from the principal seat of recent military operations. Touching our mineral rights, it is our intention to assist in the formation of syndicates willing to send prospectors into our territory, and the terms of the Ordinance, as at present framed, are so favourable, that we have no doubt many will avail themselves of the opportunity thus offered, and we trust that the success we have obtained in the development of one property will be secured by many others, as it is not to be supposed that in a country of such extent as German South-West Africa, which is known to be mineralised in the south, the centre, and the north, many successful mining propositions will not be gradually opened out and profitably exploited. So far as our own territory is concerned, I think it safe to say that in a very short time the Otavi Company will prove a material contributor to the world's supply of copper and lead. This fact should certainly go a long way towards attracting public attention to the colony, which, in addition to its mineral resources, also includes agricultural land, as good as, or possibly better than, any to be met with in the neighbouring States. Necessarily it will be difficult to adequately develop such a colony until more railways are built, either by the Government or by private enterprise. The sooner such railways are built the sooner will the country be opened up; and I think we have set a very good example in this direction by the construction of our own line, and the results which may be expected to follow should certainly prove the American contention that the building of any line not merely opens up the country, but generally creates its own traffic. As to dealing with our own land, this matter has already been referred to, and it is only necessary to add that we shall welcome those who have fought for their country during the late disturbances, some of whom, we understand, now wish to settle in the colony. Should any members of the German forces apply to us for land, and be eligible settlers, we are prepared to assist them financially and sell them farms on most easy terms of payment, the purchase price and any possible advance to be secured on the property itself. It is our intention, however, to

only deal with *bond-fide* settlers, who will undertake to occupy and develop the land. As hitherto, so in the future, we shall refuse to sell the land to speculators, our object being to settle our territory now that we have created a market for the produce of the land. Most British colonies have been acquired, formed, and opened up by company enterprise, involving very heavy expenditure, which has invariably been justified sooner or later; and, although England commenced colonising long before the formation of the German Empire, I see no reason why German colonial possessions should not equally develop, and our own experience of German South-West Africa would seem to confirm this. The first requisite, however, is that capital should be outlaid on a larger scale, either by the Government or through individual enterprise, in order to provide for the construction of railways and other public works, thus facilitating the development of the country's agricultural and mineral resources, which are undoubtedly of enormous value. I now beg to move: "That the report of the directors, together with the statement of the company's accounts to December 31, 1905, and June 30, 1906, duly audited, be received and adopted."

Mr C. E. Atkinson seconded the motion.

The Chairman, in reply to questions, said that the Otavi Company had ample funds for the completion of the whole of its works and the bringing of its operations to the dividend-earning stage. No further shares would be issued or debentures created. As far as the issue of the Otavi shares was concerned, the matter in no way affected this company. Their holding of 80,000 ordinary and 140,000 deferred shares remained intact, and they had not the slightest intention of disposing of any of them. As regarded gold discoveries in other parts of the Protectorate, gold had been found in the Hanseatic Company's territory, and also some distance West of Tsumeb, where members of an expedition which was sent to the Kaokofeld territory found a conglomerate, of which they took samples, which gave traces to 13 dwt of gold per ton. Unfortunately, the expedition had to be carried through in a very short period, and, as they were on the look-out for guano deposits, they had little time to devote to gold-bearing conglomerates. This was in the company's own territory. With regard to the costs, it would be seen from the prospectus issued by Messrs Goerz and Co. that at the time Mr James made his report he estimated the railway freight at 31s per ton and the cost of coke at £2 10s per ton. Since then the railway had been completed. They had ascertained that the coke had cost the Otavi Company, landed at Tsumeb, 60 marks per ton, a difference of about 10s per ton, which, on the estimated consumption of 6,160 tons per annum, being the coke required for the first smelting operation, would mean a difference of about £3,000 a year. As regarded the cost of railway freight, it was impossible at the moment to give any exact figure. Those who were in charge of the technical management of the Otavi Company considered that 31s per ton was a low estimate. Personally, he considered that that amount would be found ample; but, naturally, the directors of the Otavi Company, when approving of the prospectus, wished to safeguard themselves in every possible manner. It was very simple for the shareholders to realise the position, if they would only look at Mr Christopher James' report. If 14,000 tons of lead were produced per annum, and sold at today's market price, the Otavi Company should remain with 7,761 tons of copper, costing nothing, and if the copper fetched £100 per ton, then the Otavi Company should make £776,000 net profit out of this one operation alone. Mr James, in his report, dealt at length with the subject of labour, which he found very satisfactory. They had ample wood and water close to the mine, and he thought they could all realise that the property would develop into a most magnificent venture.

The resolution was then submitted to the meeting, and carried unanimously.

Mr George Cawston, in moving the re-election of Mr C. E. Atkinson, Mr Edmund Davis, and his Excellency Dr P. D. Fischer, as directors of the company, remarked that the shareholders were under very great obligations, principally to Mr Davis, for the work which had been carried through so successfully up to the present time. The negotiations had taken several years to bring to a successful issue, and he thought they could now look forward to receiving large dividends upon their investments in the company.

Mr John B. Schroeder seconded the motion, which was carried unanimously; and a further resolution was passed re-appointing the auditors, Messrs Cooper Brothers and Co.

Mr W. F. Turner, in proposing a vote of thanks to the chairman, said that the position of the company would soon be as good and sound as that of any copper-mining company in the world, and, over and above that, they had an enormous area. He considered that their present position was strong, solid, and sound financially, from the revenue-earning point of view, and the prospects were such as could scarcely be estimated. He thought they had only got to this position by reason of the arduous labours of the board, and the shareholders ought not to separate without expressing their appreciation of the way in which the affairs of the company had been managed.

The resolution was unanimously agreed to, and the proceedings then terminated.

#### TO READERS AND CORRESPONDENTS

The Editor of the ECONOMIST cannot undertake to return rejected communications.

Communications must be authenticated by the name of the writer.

**SAVINGS' BANKS RETURN.**

The following is the monthly return showing the amount received from, and paid to, Trustee Savings' Banks and Post Office Savings' Banks in the United Kingdom by the Commissioners for the Reduction of the National Debt, including transactions on the Savings' Bank Investment Account during the four weeks ended January 5, 1907:—

	Total Amount Received by the Commissioners.	Total Amount Paid by the Commissioners.
<b>TRUSTEE SAVINGS' BANKS:—</b>		
In money and interest credited.....	£ s d 44,395 10 1	£ s d 667,931 4 3
For stock sold or purchased for the Savings' Bank Investment Account....	6,950 12 6	16,452 11 9
Transfer certificates to and from Savings' Banks and Post Office Savings' Banks	3,279 17 11	2,365 12 8
<b>Total.....</b>	<b>54,626 0 6</b>	<b>686,749 8 8</b>
<b>POST OFFICE SAVINGS' BANKS:—</b>		
In money and interest credited.....	1,271,941 14 0	650,000 0 0
For stock sold or purchased for the Savings' Bank Investment Account....	61,226 7 9	142,162 17 10
Transfer certificates to and from Savings' Banks and Post Office Savings' Banks	2,365 12 8	3,279 17 11
<b>Total.....</b>	<b>1,335,533 14 5</b>	<b>795,442 15 9</b>

	At Jan. 5, 1907.	At Corresponding Period Last Month.	At Corresponding Period Last Year.
<b>Total amount at the credit of:</b>			
The fund for the Banks for Savings .....	£ s d 52,252,605 12 9	£ s d 52,884,729 0 11	£ s d 52,354,387 1 7
The Post Office Savings' Banks Fund .....	156,687,264 12 4	156,147,173 13 8	152,833,698 9 1
<b>Total .....</b>	<b>208,939,870 5 1</b>	<b>209,031,902 14 7</b>	<b>205,188,085 13 8</b>
<b>SAVINGS' BANK INVESTMENT ACCOUNT:—</b>			
Total amount of stock held for depositors in—			
Trustee Savings' Banks ..	2,391,189 5 6	2,381,256 18 10	2,326,584 13 3
Post Office Savings' Banks	19,036,079 8 4	18,954,818 19 2	17,918,027 1 9
<b>Total .....</b>	<b>21,427,268 13 10</b>	<b>21,336,075 18 0</b>	<b>20,244,611 15</b>

**ACCUMULATION OF DIVIDENDS ON CONSOLS, £2 10s PER CENT. ANNUITIES, AND LOCAL LOANS (3 per cent.) STOCK.**

A RETURN showing the amount of STOCK, the DIVIDENDS on which, at the request of the Proprietors, are received each Quarter by the BANK OF ENGLAND, invested and added to the CAPITAL.

[The receipt and investment by the Bank of England does not take place until the first day of the month after that in which the Dividends are due. A Proprietor will thus have the opportunity of taking any particular Dividend in person, without thereby revoking his request as regards future Dividends.]

Name of Stock.	On Jan. 5, 1907.		At Corresponding Period Last Quarter.		At Corresponding Period Last Year.	
	No. of Accts.	Amount of Stock.	No. of Accts.	Amount of Stock.	No. of Accts.	Amount of Stock.
Consols.....	6,737	£ s d 1,377,100 1 3	6,670	1,358,120 18 11	6,586	1,330,772 13 6
£2 10s % Annuities .....	449	87,078 9 1	462	90,899 12 10	487	93,407 5 11
Local Loans Stock (£3%)	452	97,324 12 9	447	98,620 7 2	433	94,420 9 0

**PUBLIC INCOME AND EXPENDITURE.**

**REVENUE AND OTHER RECEIPTS.**

	Estimate for the Year 1906-7.	RECEIPTS.		RECEIPTS.	
		Apr. 1, '06, to Jan. 5, 1907.	Apr. 1, '05, to Jan. 6, 1906.	Jan. 1 to Jan. 5, 1907.	Jan. 1 to Jan. 6, 1906.
Balances in Exchequer 1st April:—					
Bank of England .....	..	9,334,212	6,352,909	..	..
Bank of Ireland .....	..	1,117,275	1,077,369	..	..
		10,451,487	7,430,278	..	..

**REVENUE.**

	£	£	£	£	£
Customs.....	32,230,000	25,828,500	26,619,000	457,000	574,000
Excise .....	30,200,000	23,277,000	23,269,000	180,000	279,000
Estate, &c., Duties .....	13,200,000	11,391,000	9,835,000	196,000	135,000
Stamps .....	8,150,000	5,983,000	6,196,000	147,000	166,000
Land Tax and House Duty	2,650,000	490,000	580,000	50,000	70,000
Property and Income Tax..	31,500,000	8,372,500	8,427,000	715,000	937,000
Post Office .....	17,395,000	11,530,000	11,300,000	..	..
Telegraph Service.....	4,350,000	3,250,000	3,150,000	..	..
Crown Lands .....	480,000	390,000	370,000	..	..
Receipts from Suez Canal	1,100,000	1,075,756	1,062,955	381,186	383,750
Shares and Sundry Loans	1,500,000	1,374,308	1,072,870	40	..
Miscellaneous .....	..	..	..	..	..
*Revenue paid into the Exchequer .....	142,755,000	92,961,064	91,881,825	2,125,226	2,544,750
<b>Total, including Balance ..</b>	<b>..</b>	<b>103,412,551</b>	<b>99,512,103</b>	<b>..</b>	<b>..</b>

**OTHER RECEIPTS.**

Repayment of Advances for Bullion .....	..	1,000,000	480,000	..	..
Under Telegraph Acts, 1892 to 1904 .....	..	1,055,000	700,000	..	150,000
Under Uganda Railway Acts, 1896 to 1902 .....	..	..	191,592	..	..
Under Naval Works Acts, 1895 to 1905 .....	..	1,762,000	2,175,000	..	500,000
Under Military Works Acts, 1897 to 1901 .....	..	300,000	1,262,408	..	317,000
Under Land Registry (New Buildings) Act, 1900 .....	..	..	23,000	..	..
Under Public Buildings Expenses Act, 1903 .....	..	115,000	148,000	..	33,000
Under Public Offices Site (Dublin) Act, 1903 .....	..	10,000	..	..	..
By Issue of Exchequer Bonds:—					
Under the Finance Act, 1905 .....	..	..	9,854,604	..	..
Under the Cunard Agreement (Money) Act, 1904 ..	..	1,200,000	1,000,000	..	..
Temporary Advances, deficiency .....	..	2,500,000	2,000,000	1,500,000	2,000,000
Temporary Advances, Ways and Means (including Treasury Bills £500,000 in 1906-7, and £4,500,000 in 1905-6) .....	..	3,500,000	8,000,000	..	..
<b>Total .....</b>	<b>..</b>	<b>114,854,551</b>	<b>125,146,707</b>	<b>3,626,226</b>	<b>5,544,750</b>

*Revenue paid into the Exchequer, as above ..	142,755,000	92,961,064	91,881,825	..	..
Revenue paid to Local Taxation Accounts, &c.—					
Customs .....	165,000	126,673	120,847	..	..
Excise .....	5,321,000	3,756,689	3,802,851	..	..
Estate, &c., Duties .....	4,349,000	3,434,893	3,191,839	55,000	105,000
<b>Total .....</b>	<b>9,835,000</b>	<b>7,318,455</b>	<b>7,115,537</b>	<b>55,000</b>	<b>105,000</b>
Aggregate Revenue, including Payments to Local Taxation Accounts, &c. ....	152,590,000	100,279,519	98,997,362	2,181,226	2,649,750

**EXPENDITURE AND OTHER ISSUES.**

	Estimate for the Year 1906-7. (incl'ding Supplementary Estim'ts.)	Total Issues out of the Exchequer to meet Payments from			
		Apr. 1, '06, to Jan. 5, 1907.	Apr. 1, '05, to Jan. 6, 1906.	ISSUES. Jan. 1 to Jan. 5, 1907.	ISSUES. Jan. 1 to Jan. 6, 1906.
National Debt Services .....	28,500,000	21,359,339	23,755,694	3,834,331	4,967,820
Other Consolidated Fund Services .....	1,685,000	1,313,381	1,272,302	40,787	40,588
Payments to Local Taxation Accounts charged on the Consolidated Fund ..	1,160,000	665,283	664,966	10,000	10,000
Supply Services .....	111,384,000	78,359,371	80,495,309	100,000	190,000
<b>Expenditure .....</b>	<b>142,729,000</b>	<b>101,677,374</b>	<b>106,188,271</b>	<b>3,985,118</b>	<b>5,198,40</b>

<b>OTHER ISSUES.</b>					
For Advances for Bullion, &c.	..	912,484	540,000	..	100,000
For Advances for Interest on Exchequer Bonds under the Capital Expenditure (Money) Act, 1904 .....	..	135,000	135,000	..	..
For Treasury Bills (net amount) .....	..	2,000,000	..	..	..
For Exchequer Bonds issued under the Supplemental War Loan Acts, 1900 ..	..	..	10,030,000	..	..
Under Telegraph Acts, 1892 to 1904 .....	..	1,055,000	600,000	..	..
Under Naval Works Acts, 1895 to 1905 .....	..	1,762,000	2,483,000	..	..
Under Military Works Acts, 1897 to 1901 .....	..	300,000	900,000	..	..
Under Land Registry (New Buildings) Act, 1900 .....	..	1,000	23,000	..	..
Under Public Buildings Expenses Act, 1903 .....	..	115,000	148,000	..	..
Under Public Offices Site (Dublin) Act, 1903 .....	..	10,000	..	..	..
Under Cunard Agreement (Money) Act, 1904 .....	..	1,259,989	426,917	..	..
Surplus Revenue 1905-6 applied to reduce Debt ..	..	2,000,000	..	..	..
Deficiency Advances repaid	..	1,000,000	400,000	..	400,000
Ways and Means Advances repaid .....	..	1,000,000	1,900,000	..	1,150,000
	..	115,227,847	123,744,188	3,985,118	6,848,408
Balance in Exchequer:—				Inc. or Dec.	for Week
Bank of England .....	..	1,143,632	889,807	— 285,007	— 121,741
Bank of Ireland .....	..	483,072	512,712	— 73,885	— 86,517
Treasury, January 8, 1907.	..	1,626,704	1,402,519	— 358,892	— 130,365

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**The Bankers' Gazette.**

**BANK RETURNS AND MONEY MARKET.**

**BANK OF ENGLAND.**

ACCOUNTS pursuant to the Act 7th and 8th Victoria, cap. 32 for the week ended Wednesday, January 9, 1907.

**ISSUE DEPARTMENT**

Notes issued.....	£ 49,120,260	Government debt....	£ 11,015,100
		Other securities ....	7,434,900
		Gold coin and bullion	30,670,260
	49,120,260		49,120,260

**BANKING DEPARTMENT**

Proprietors' capital..	£ 14,553,000	Government securi-	£
Reserve .....	3,481,567	ties .....	17,358,516
Public deposits* ....	6,416,573	Other securities ....	32,842,040
Other deposits .....	47,127,057	Notes .....	20,434,815
Seven-day and other bills.....	40,914	Gold and silver coin	983,740
	71,619,111		71,619,111

\*Including Exchequer, Savings Banks, Commissioners of National Debt, and Dividend Accounts.

J. G. NAIRNE, Chief Cashier.

Dated, January 10, 1907.

The following are the changes in the principal accounts compared with last week:—

	Increase.	Decrease.
Circulation (excluding 7-day and other bills).....	£ 358,815	£ 358,815
Public deposits.....	2,572,315	2,572,315
Other deposits.....	2,606,002	2,606,002
Government securities.....	100,000	100,000
Other securities.....	6,732,968	6,732,968
Bullion .....	1,371,154	1,371,154
Reserve .....	75,943	75,943
	1,729,964	1,729,964

The following shows the amount of circulation, Bullion in both departments, Banking Deposits, Banking Securities, Reserve and Rate of Discount, for three months ended January 9, 1907:—

Date.	Coin and Bullion.	Gold in from Abroad or out for Export.	Circulation (excluding Bank Post Bills).	Deposits	Securities in Banking Department.	Reserve.	% of Reserve to Liabilities	Bank Rate.
1906.								
Oct. 17	29,175,010	465,000 out	28,763,050	45,980,626	48,976,485	18,851,960	37 3/4	5
24	28,428,264	1,014,000 out	28,691,130	49,681,835	49,350,911	18,188,134	36 3/4	5
31	28,549,851	455,000 in	28,842,180	49,697,478	49,378,142	18,157,671	36 1/2	5
Nov. 7	29,188,975	895,000 in	28,562,580	49,713,930	48,511,020	19,075,335	38 1/2	6
14	29,799,369	379,000 in	28,225,440	49,671,932	47,555,091	20,023,229	40 1/2	6
21	31,138,182	932,000 in	28,223,935	52,923,041	49,489,908	21,364,247	40 1/2	6
28	33,263,144	1,472,000 in	28,099,335	52,524,704	46,827,573	23,615,809	44 1/2	6
Dec. 5	32,901,866	344,000 in	28,409,770	51,111,902	46,052,785	23,942,096	44 1/2	6
12	32,799,035	275,000 in	28,500,980	48,330,852	43,473,604	22,748,085	47 1/2	6
19	29,995,744	1,236,000 out	28,733,380	51,073,129	49,315,874	19,712,354	38 1/2	6
24	29,064,478	483,000 in	28,796,255	50,336,717	49,581,475	18,719,223	37 3/4	6
1907.								
Jan. 2	30,282,846	603,000 in	29,044,260	58,721,947	57,033,524	19,688,586	33 3/4	5
9	31,654,000	54,000 out	28,685,445	53,543,630	50,200,556	21,418,555	40	5

Subjoined is our usual table, affording a comparative view of the Bank Returns, the Bank Rate of Discount, the Price of

Consols, the Price of Wheat, and the Leading Exchanges during a period of three years corresponding with the present date as well as ten years back, viz. :—

At corresponding date with the present week.	Jan. 6, 1897.	Jan. 13, 1904.	Jan. 11, 1905.	Jan. 10, 1906.	Jan. 9, 1907.
Circulation (excluding Bank post bills) .....	£ 26,571,250	£ 28,414,055	£ 27,945,230	£ 29,432,270	£ 28,685,445
Public deposits .....	8,063,487	6,185,742	8,514,743	8,090,486	6,416,573
Other deposits .....	46,839,007	42,941,986	41,754,789	47,972,865	47,127,057
Government securities .....	15,717,867	20,947,874	19,408,041	18,339,473	17,358,516
Other securities .....	32,516,540	24,957,866	26,510,635	37,015,725	32,842,040
Reserve of notes and coin .....	24,746,842	21,424,363	22,418,830	18,815,588	21,418,555
Coin and bullion .....	34,518,092	31,388,418	31,914,060	29,797,858	31,654,000
Proportion of reserve to liabilities .....	45 %	43 1/2 %	44 1/2 %	33 1/2 %	40 %
Bank rate of discount .....	4 %	4 %	3 %	4 %	6 %
Market rate, 3 months' bills .....	5 1/2 %	3 1/2 %	2 1/2 %	3 1/2 %	4 1/2 %
Price of Consols* .....	111 1/2	88 1/2	88 1/2	85 1/2	86 1/2
Price of silver per oz .....	29 1/2 d	27 1/2 d	27 1/2 d	30 1/2 d	31 1/2 d
Average price of wheat .....	30 1/2 d	26 1/2 d	30 1/2 d	28 1/2 d	26 1/2 d
Exchange on Paris (short) .....	25.21 1/2-26 1/2	25.17 1/2-22 1/2	25.13 1/2-18 1/2	25.10-12 1/2	25.20-22 1/2
— Amsterdam (short) .....	12.1 1/2-2 1/2	12.1 1/2-2 1/2	12.1 1/2-2 1/2	12.1 1/2-2 1/2	12.2 1/2-2 1/2
— Hamburg (3 months) .....	20.59-63	20.62-66	20.58-62	20.66-70	20.78-82
Clearing-house return .....	174,376,000	183,299,000	215,482,000	228,921,000	255,131,000

\* New 2 1/2 per Cents.—Goschens.

The amount of the "other deposits" compared with the "other securities," showed in 1897 an excess of £14,322,467, and in 1904 an excess of £17,984,120, in 1905 an excess of £15,244,154, and in 1906 an excess of £10,957,140. In 1907 there is an excess of £14,285,017.

In 1904 the Bank rate was 4 per cent., and there was an abundance of money in the market, a fact which led to a sharp relapse in discount rates. The quotation for best three months' bills dropped from 3 1/2 to 3 3/8 per cent. during the week. The Stock Exchange was unsettled owing to the position in the Far East, but prices recovered.

At this time in 1905 the Bank rate was 3 per cent., and though an issue of Irish Land stock and other circumstances made large demands on the resources of the market, supplies were ample, loan rates ranging from 1 3/4 to 2 1/4 per cent. Discount rates were well maintained, best three months' bills being quoted at 2 1/8 per cent. Business on the Stock Exchange was disappointing to those who had been expecting a burst of activity in the New Year, the tone being dull and prices flat.

The Bank rate in 1906 at the corresponding date was 4 per cent., and money was in plentiful supply at 1 1/2 to 2 1/2 per cent. Discount rates eased off from 3 1/2 to 3 1/8 per cent. for three months' bills, though some uncertainty prevailed owing to talk of a large amount being provided in France by way of a temporary advance to Russia. The stock markets were firm, but rather inactive.

**BANKERS' CLEARING RETURNS.**

The following figures from the official returns show the amount of bills and cheques cleared at the Bankers' Clearing-house. Special days are given separately, together with the total increase or decrease to date in each case:—

Weeks Ending	Town Clearing.	Country Clearing.	Total.
Date, 1906.			
January 1 to November 21	£ 10,427,603,000	£ 890,799,000	£ 11,318,402,000
28 .....	189,994,000	16,954,000	206,948,000
December 5 .....	279,866,000	20,636,000	300,502,000
12 .....	196,518,000	18,855,000	215,373,000
19 .....	257,275,000	20,296,000	277,571,000
26 .....	147,241,000	11,742,000	158,983,000
31 .....	220,594,000	13,011,000	233,605,000
1907.			
January 1 to January 2	91,400,000	6,258,000	97,658,000
9 .....	231,838,000	23,293,000	255,131,000
Total, 1907 .....	323,238,000	29,551,000	352,789,000
Corresponding total 1906 (a) .....	355,223,000	32,666,000	387,889,000
Increase or Decrease in 1907 .....	31,985,000	3,115,000	35,100,000
	= 9.00 %	= 9.52 %	= 9.14 %
Gross total in 1906 .....	11,719,021,000	992,313,900	12,711,334,900
Do 1905 .....	11,355,250,000	932,685,000	12,287,935,000
Increase or Decrease in 1906 .....	+ 363,771,000	+ 59,628,000	+ 423,399,000
	= 3.20 %	= 6.39 %	= 3.44 %

(a) January 1 to January 10.

**SPECIAL DAYS.**

Stock Exchange Pay Days.		Consols Pay Days.		"Fourth" of the Month.	
Date.	£	Date.	£	Date.	£
Jan. 13 to Aug. 30 1906.	1,345,295,000	June 1 1906.	54,305,000	June 5 1906.	53,175,000
Sept. 17 .....	83,619,000	July 4 .....	52,428,000	July 4 .....	52,428,000
27 .....	82,030,000	Aug. 1 .....	53,473,000	Aug. 4 .....	54,855,000
Oct. 12 .....	79,705,000	Sept. 3 .....	48,280,000	Sept. 4 .....	34,997,000
26 .....	94,497,000	Oct. 3 .....	50,451,000	Oct. 4 .....	35,195,000
Nov. 14 .....	84,377,000	Nov. 2 .....	54,045,000	* Nov. 3 .....	36,797,000
29 .....	82,946,000	Dec. 3 .....	55,285,000	Dec. 4 .....	37,473,000
Dec. 13 .....	83,529,000	1907.		1907.	
28 .....	95,584,000	Jan. 4 1907.	53,904,000	Jan. 4 1907.	53,904,000
Total, 1906 .....	2,031,582,000		53,904,000		53,904,000
Corresponding total, 1905 .....	2,070,622,000		53,923,000		53,923,000
Inc. or Dec. in 1906 .....	- 39,040,000		19,000		19,000
	= 1.88 %		= 0.0 %		= 0.0 %
Gross total in 1906 .....	2,031,582,000		644,534,000		534,816,000
Do 1905 .....	2,070,622,000		638,783,000		497,070,000
Inc. or Dec. in 1906 .....	- 39,040,000		+ 5,751,000		+ 27,746,000
	= 1.88 %		= 0.90 %		= 5.58 %

\* The "fourth" fell on Sunday. † The "fourth" fell on Bank Holiday.



The following is a comparison with previous weeks:—

Table with columns for 1906 (Sept, Oct, Nov, Dec) and 1907 (Jan), comparing Floating Money, Bank Bills (3, 4, 6 months), and Trade Bills (3, 4, 6 months).

These rates range from those current on the very best paper to those paid on bills for which the Bank rate is usually required.

The silver market was easy at the opening on Saturday, and both spot and forward fell 1/8d, to 32 1/8d and 32 1/2d per ounce respectively, but the tone at the close was firm, and continued so on Monday.

The following is from Messrs Pixley and Abell's Circular, dated January 10th:—

Gold.—Bar gold, fine, 77s 9d per oz standard; United States gold coin, 76s 4d per oz; German gold coin, 76s 4d per oz, nominal; French gold coin, 76s 4d per oz, nominal; Japanese yen, 76s 4d per oz, nominal.

Silver.—Bar silver, fine, 31 1/2 per oz standard; bar silver, two months' delivery, 32d per oz standard; cake silver, 34 1/4d per oz; Mexican dollars, nominal; quicksilver, £7.3 per cent. discount.

The India Council on Wednesday offered for tender Rs.10,000,000 in remittances on India. The tenders amounted to Rs.38,145,000 at 1s 4 1/2d to 1s 4 5/32d. The following statement gives the result of the sales from the beginning of the current financial year:—

Summary table of sales from the beginning of the current financial year, showing amounts in Rs. for periods from April 1, 1905, to January 2, 1907.

Allotments since last week:—

Table of allotments since last week, listing days (Tuesday, Wednesday, Thursday, Friday) and amounts in Rs. for transfers on Bombay, bills on Calcutta, and bills on Madras.

The amount to be offered next week will be Rs.10,000,000.

HOME RAILWAY TRAFFIC RETURNS.

Large table of Home Railway Traffic Returns, including columns for Revenue 1st Half 1906, Div. per Annum, Name of Railway, Receipts for Week Ended Jan. 5, Traffic per Mile per Week, Cost per Mile, Latest Price, Aggregate Receipts this Half-year, and Miles Open.

\* From August 1. \* On Arbitration Preference Stock. \* Partly Charged to Capital Account. \* Preference Charges only. & The Metropolitan Railway from Harrow South Junction to Verney Junction, including the Chesham Branch, was transferred to the Metropolitan and Great Central Joint Committee on April 2, 1906. The figures for current year include only Metropolitan Company's proportion of the joint lines' earnings.

COLONIAL, FOREIGN, AND AMERICAN RAILWAYS.

Table of Colonial, Foreign, and American Railways, listing Name, Receipts, Total Receipts, and Period Ending for various international lines.

\* Two weeks.



The foreign movements of gold to and from the Bank since last week have been as follows:—

ARRIVALS.		WITHDRAWALS.	
	£		£
Mon., Bars .....	138,000	Sat., Egypt .....	10,000
" Australia .....	5,000	Wed., S. America .....	370,000
Tues., Bars .....	21,000	Thurs., S. America .....	1,432,000
Wed., Bars .....	74,000		
Thurs., Bars .....	113,000		
Fri., Bars .....	87,000		
Net efflux .....	1,374,000		
<b>Total .....</b>	<b>1,812,000</b>	<b>Total .....</b>	<b>1,812,000</b>

The tenders for £2,000,000 Treasury Bills, payable three months from date, were opened on the 7th inst. at the Bank of England. The total amount applied for was £4,374,000. Tenders at £99 os 3½d were allotted about 55 per cent., above in full. The average discount rate was £3 17s 9-29d.

The following table shows the amounts, dates of maturity, duration, and average rate of allotment of the outstanding Treasury Bills, excluding those issued privately:—

Date.	Amount.	Average Rate of Discount.	Duration.	Date of Maturity.
<b>1906.</b>				
July 28 .....	1,500,000	3 3 0	6 months	Jan. 28, 1907
Aug. 11 .....	2,500,000	2 19 7	6 months	Feb. 11, 1907
Aug. 25 .....	1,000,000	2 15 5	6 months	Feb. 25, 1907
Sept. 15 .....	1,500,000	2 18 8	6 months	Mar. 15, 1907
Sept. 28 .....	1,000,000	3 2 5	6 months	Mar. 28, 1907
Dec. 22 .....	2,413,000	3 19 5-28	6 months	June 22, 1907
Dec. 29 .....	1,800,000	3 19 1-04	6 months	June 29, 1907
<b>1907.</b>				
Jan. 12 .....	2,000,000	3 17 9-29	3 months	April 12, 1907
Total outstanding .....	13,713,000			

LONDON COURSE OF EXCHANGE.

On	Usance.	Price Negotiated on 'Change.			
		Jan. 8.		Jan. 10.	
Paris .....	Cheques	25 20	25 22½	25 20	25 22½
Ditto	3 months	25 41½	25 46½	25 41½	25 46½
Marseilles .....	do	25 42½	25 47½	25 41½	25 46½
Amsterdam .....	Cheques	12 2½	12 2½	12 2½	12 2½
Ditto	3 months	12 5½	12 6	12 5½	12 6
Berlin .....	"	20 78	20 82	20 78	20 82
Hamburg .....	"	20 78	20 82	20 78	20 82
Frankfurt .....	"	20 78	20 82	20 78	20 82
Vienna and Trieste .....	"	24 41	24 45	24 41	24 45
Antwerp .....	"	25 56½	25 61½	25 56½	25 61½
St Petersburg .....	"	24½	24½	24½	24½
Moscow .....	"	24½	24½	24½	24½
Genoa, Naples, &c. ....	"	25 53½	25 58½	25 53½	25 58½
Madrid, Barcelona, &c. ....	"	43½	43½	43½	43½
Lisbon .....	"	51½	51½	51½	51½
Switzerland .....	"	25 57½	25 62½	25 57½	25 62½

FOREIGN RATES OF EXCHANGE ON LONDON.

	Latest Dates.	Rates of Exchange.	Usance.		Latest Dates.	Rates of Exchange.	Usance.
Paris .....	Jan. 11	25-21	Ch'ques	Rio Janeiro .....	Jan. 9	15½d	90 days
Brussels .....	10	25-32	"	Buenos Ayres .....	10	49½d	90 days
Amsterdam .....	10	12-10½	Short.	Do Pm.on Gold .....	9	127-27½	"
Berlin .....	10	20-49½	"	Montevideo .....	Dec. 14	52½d	90 days
Do .....	10	20-22½	3 mos.				
Hamburg .....	10	20-48	"	Melbourne .....	Nov. 20	dis par	50 days
Frankfurt .....	11	20-47	Short.	Sydney .....	20	dis par	"
Vienna .....	11	24-09	"	Adelaide .....	20	dis par	"
St Petersburg .....	10	54-10	3 mos.	Calcutta .....	Jan. 11	1/4	tel'g'ph
New York .....	11	480½	50 dy at	Bombay .....	11	1/4	transfer
Lisbon .....	10	52-½	Sight.	Hong Kong .....	11	2/3	transfer
Madrid .....	11	27-18	"	Shanghai .....	11	3/0½	"
Italy .....	10	25-20	"				

The discount quotations current in the chief continental cities are as follows:—

	Bank Rate.	Open Market.		Bank Rate.	Open Market.	
Paris .....	3%	May 24, '00	3	Genoa .....	5% Sep. 22, '04	4½
Berlin .....	7%	Dec. 18, '06	5½	Geneva .....	5% Oct. 22, '06	5
Hamburg .....	7%	Dec. 18, '06	5½	St Petersburg .....	7% Sep. 25, '06	norm.
Frankfurt .....	7%	Dec. 18, '06	5½	Madrid .....	4% Sep. 24, '03	4½
Amsterdam .....	5%	Oct. 11, '06	4½	Lisbon .....	5% Jan. 11, '99	5
Brussels .....	4%	Dec. 13, '06	3½	Stockholm .....	6% Sept. 15, '06	6
Vienna .....	4½%	Oct. 3, '06	4½	Christiania .....	5% Oct. 12, '06	5½
Rome .....	5%	Sep. 22, '04	4½	Copenhagen .....	6% Oct. 11, '06	6
Turin .....	5%	Sep. 22, '04	4½			

At other centres the latest recorded quotations are:—

New York (call money) ..	2½	Calcutta, Bank min. ....	9
Ditto (endorsed Bills) ..	6 to 6½	Bombay, Bank min. ....	9

The following are the standards for gold points of the principal gold exchanges:—

FRANCE.	MARKS.	GERMAN.	DOLLARS.	AMERICAN.
32½—4 p. mille for us	20.52—5 p. mille for us	4.89—5 p. mille for us	4.867—Par	
22½—Par	20.43—Par		4.867—Par	
12½—4 p. mille agst us	20.33—5 p. mille agst us		4.827—8 p. mille agst us	

The latest exchanges are:—  
 French "cheque" exchange 25f 21c. or ¾ per mille against us.  
 German short exchange .. 20m 49½pf, or ¾ for us.  
 New York exchange  
 "Cable transfer" .. \$1.85½, or 2½ against us.

THE STOCK MARKETS.

TICKET.	ACCOUNT.
January 15 and 30	January 16 and 31
February 13 and 27	February 14 and 28

Consols, February 4.

Yesterday was carry-over day in the Mining markets, so that the first account of the new year is now practically over, and although the hopes of the bulls have not been in every respect fulfilled, the record is a fairly satisfactory one. The only disappointment has been to those who hoped for a reduction in the Bank rate before the settlement, and when it was realised that the fall in American exchange and the prospect of heavy withdrawals for South America would prevent the rate being dropped to 5 per cent. this week, a slight reaction occurred, which left prices a little below the best points touched. The feature during the past week has been the strength of investment and speculative buying, encouraged by easier money conditions and the amount of support received from Continental centres, particularly in Foreign stocks and South African Mining shares. The way in which the Cape Government loan and the Shanghai-Nankin Railway issue were subscribed was taken as a good indication of the amount of investment money available, but the news that Natal was also in the market as a borrower was not so well received, the market not being yet in a condition to stand a rush of Colonial issues with equanimity. Gilt-edged stocks, though not showing any remarkable improvement, practically all finished higher on balance, and Foreign Government issues have shown more activity and strength than for some time past, the only exception being Russians, which were adversely affected by the series of political assassinations reported, proving that the revolutionary movement is still powerful. In the Home Railway market a good deal of profit-taking occurred before the settlement, especially after it was known that the 6 per cent. Bank rate would still be in force, and in spite of favourable anticipations regarding the forthcoming dividends, movements have been rather irregular. There has, however, been a steady investment demand for prior charge railway stocks. The revival in the Kaffir market, which we noticed last week, has almost monopolised attention in the more speculative sections, the amount of support for the movement, both on local account and from the Continent, coming as a surprise to those who had predicted that the rally would be as short-lived as similar movements have proved in the past. In spite of some profit-taking in the last day or two, the record of the account shows quite an imposing array of advances, and the sentiment is more confident than for a long time past. Other speculative stocks have suffered to some extent by this revival of interest in the Kaffir Circus, and apart from some investment buying, particularly in bank and insurance shares, there has not been much doing in the Industrial market.

**Home and Colonial Government Securities.**—Sanguine hopes of an immediate reduction in the Bank rate, encouraged by easier money conditions, caused an all round advance in gilt-edged stocks at the commencement of the week, and the movement was helped by the reinvestment of dividends on the Funds; but there has since been a partial reaction, owing to the fear of increasing demands on our gold reserves, and as a result, prices show very little change on the week. Consols have actually fallen ¼ for the account, but Indian issues have all risen fractionally, and one or two Home Corporation issues have marked advances. A good deal of business was recorded in London County Council Three, but the price is unchanged. Colonial Inscribed stocks generally were well supported, but the new issues by the Cape and Natal Governments have had their natural effect on the quotations of the old Three and a-Half, which have fallen back to near the level at which the new stock was issued.

	Last Week.	Sat.	Mon.	Tues.	Wed.	Thurs.	Friday	Movement.
Cons. 2½% red. 1923	86½	86½	87	86½	86½	86½	86½	7
Do a/c Feb. 4. ....	87	87½	87½	87	86½	86½	86½	7½
2½% red. 1905. ....	92½	92½	92½	92½	92½	92½	92½	—
2½% red. 1905. ....	85½	85½	85½	85½	85½	85½	85½	—
Guar. 2½% (Irish Ld)	87½	87½	87½	87½	87½	87½	87½	—
National War Loan	97½	97½	97½	97½	97½	97½	97½	—
2½% Stock .....	97½	97½	97½	97½	97½	97½	97½	—
Exchequer 3% Bds., red. 1907 .....	93½	93½	93½	93½	93½	93½	93½	—
Do red. 1909 .....	99	99	99	99	99	99	99	—
Do 2½% Bds. red. 1907-15 .....	97½	97½	97½	97½	97½	97½	97½	—
Local Loans 3% Sisk	97½	97½	97½	97½	97½	97½	97½	—
Trans. Gov. 3% Sisk	97	97	97	97	97	97	97	—
Bank Stock .....	285	285	285	285	285	285	285	—
India 3½% red. 1931	103½	103½	104	103½	103½	103½	103½	—
Do 3% red. 1948 ..	92½	93	93	93	93	93	93	—
Do 2½% 1926 .....	78	78½	78½	78½	78½	78½	78½	—
Do Rupee 1854-5 ..	64	64½	64½	64½	64½	64½	64½	—
Met. Cons. 3½% ..	102	102	102	102	102	102	102	—
Met. Water Bd. 3% B	92½	93	93	93	93	93	93	—

**Foreign Government Securities.**—There has been some good investment buying in this section, both on local account and from the Continent, and, with the exception of Russians, which were seriously affected by the news of the latest political assassinations, quotations have generally improved. Brazilian and Japanese issues have shown most strength. The former were strongly supported from Paris, while Japanese stocks were helped by the preliminary Budget figures, and satisfactory statements regarding general trade, and also by some talk that the conversion of the Six per Cent. Customs bonds will be carried through shortly. Argentina issues have all risen fractionally, and Chinese descriptions hardened, the success of the new Railway Loan issue being a good point. Among minor South American descriptions, Uruguay Three and a-Half and the Venezuelan Diplomatic Debt were strong features, and Peruvian Corporations advanced, on a revival once more of the rumour that the Government is about to come to terms with the Corporation in regard to the latter's long outstanding claim.

The following are the latest closing prices, &c., of some of the leading stocks:—

	Closing Prices		Rise or Fall.	"Making-up" Prices.	
	Last Week.	To-day.		Dec. 24.	Dec. 11.
Argentine 5%, 1886-7	100½	101½	+	102½	102½
Do Resoision	91x	91½	+	92½	92½
Do National Cedula "B"	44½	44½	—	44½	44½
Brazilian 4%, Bonds, 1889	84½	86½	+	83½	84½
Do W. of Minas 5%	96½	97½	+	96½	97½
Bulgarian 6%, 1892	103	103	—	102	101½
Chilian 4%, 1895	90½	91	+	91	91
Chinese 7% Silver, 1894	106	106½	+	104½	104½
Do Gold 1896, 5%	103½	103½	—	102½	102½
Egyptian 4% Unified Debt	102½	102½	—	102	102
Do 3½% Converted	99	99½	+	98½	98½
French 3%	94x	95x	+	95	95
German Imperial 3%, 1891	86	86	—	85½	85½
Greek, 1884	51½	51½	—	52	52
Do Monopoly, 4%	51x	51x	—	52	52
Hungarian 4% Gold Rentes	95½	95½	—	96½	96½
Italian 5% Rentes	107½	107½	—	102½	102½
Japanese 4% Sterling	87½	88½	+	88½	89½
Mexican Conv., 1899	101½	102½	+	102½	102
Peruvian Corp., 6% Debs.	104	104½	+	103	102½
Portuguese (New)	63½	71x	+	71	71
Russian Ser. II, 4%	78½	77½	—	78	77½
Spanish 4% Sealed	93½	93½	—	94	93½
Turkish 3½%, 1894	98	98	—	97½	97½
Do 4% Unified	93½	94	+	93	93½
United States 4%, 1877	103½	103½	—	—	—
Do New 4%	132½	132½	—	—	—
Uruguay, 3% Bonds	70	72	+	67	68½
Venezuela 3%, Dip. Debt	45½	47½	+	47	48½

**British Railways.**—The Home Railway market has shown more activity than for some time past; but, in spite of the amount of speculation and investment buying, prices have moved irregularly, the effect being neutralised by heavy profit-taking before the settlement. The reason for last week's advance in South-Westerns is explained by the news that the White Star Line has decided to transfer its Wednesday mail service from Liverpool to Southampton, and there is talk of the Cunard Line following suit. Since the cat was let out of the bag, there has been a reaction owing to realisations, and North-Westerns have also been adversely affected to some extent, since the transfer must entail some loss of traffic to that line. South-Easterns and Chathams have moved irregularly, the Channel Tunnel scheme being rather discredited, but Great Northern has continued firm, helped by a good traffic return, and Scotch stocks have shown a hardening tendency. The traffic statements were generally satisfactory, especially in view of the bad weather, but the Great Eastern again did badly, and the North-Eastern return was poor. A drop of a point in Central London was the only feature in the Underground group.

The traffic returns of seventeen principal English and Irish lines show an increase of £14,022, equal to 0.9 per cent., for the week as compared with the corresponding week last year; and the three principal Scotch lines show an increase of £5,725, equal to 3.6 per cent. For the past half-year the English and Irish lines exhibit an increase of £840,233, or 1.8 per cent., while on the Scotch lines there is an increase of £20,500, equal to 0.4 per cent. The latter are calculated from August 1st, while the English and Irish companies commence a new half-year from January 1st.

Subjoined are the latest closing prices of the more important issues as compared with last week's prices. The making-up prices at the last settlement are also given for reference purposes:—

	Closing Prices		Rise or Fall.	"Making-up" Prices.	
	Last Week.	To-day.		Dec. 24.	Dec. 11.
Barry Deferred Ordinary	108½	108½	—	—	—
Caledonian	102½	102½	—	103½	105½
Do Deferred	29½	30	+	—	31½
Central London Ordinary	83	83	—	83	83½
City and South London	44	44	—	42	41½
Great Central Preferred	34½	34½	—	34½	35½
Do Deferred	16½	16½	—	16	16½
Great Eastern	83½	82½	—	81½	82
Great Northern Deferred	46½	47½	+	45½	45
Great Western	134	133½	—	132½	130½
Hull and Barnsley	49½	49½	—	48½	47½
Lancashire and Yorkshire	105	104½	—	103	102½
London, Brighton, &c., "A"	122	122½	+	121½	120½
London, Chatham, and Dover	15½	15½	—	14½	14½
Do Arbitration Preference	90	92	+	89	89

London and North-Western	153½	153	—	153	152½
London and South-Western	156½	155½	—	151	151
Do Deferred	55½	54	—	50½	50½
Metropolitan Consolidated	59½	59	—	60	63½
Metropolitan District	19	19	—	19	20½
Midland Preferred	66½	66	—	66	67½
Do Deferred	67½	67	—	67	66½
North British Ordinary	39½	39½	—	41	41½
Do 3% Preferred	74½	74	—	74½	74½
North-Eastern—Consols	144	144	—	141½	141½
North Staffordshire	100	101	+	98	98½
South-Eastern "A"	48½	48½	—	46	46½

**American Railways.**—The two prevailing influences in the American market have been the money position and the investigation by the Inter-State Commerce Commission into the working of the Harriman system of railroads. The turn of the year has so far brought little relief to the New York money market, and in consequence of the easier conditions here, there has again been a tendency to finance stock on this side. With a 6 per cent. Bank rate, however, carry-over rates are likely to prove stiff, and this prospect has materially helped to check speculation. A further sharp drop in Northern Pacifics is the principal feature of the week's movements. In consequence of the depressing influence of the Harriman inquiry, Union Pacifics have fallen nearly 2 points. Baltimore dropped 1½. Atchisons displayed firmness, but Gould stocks—Missouri Pacifics and Wabash especially—were weakened on the action brought in the Supreme Court of Missouri alleging illegal combination; and Southern Railway issues also declined owing, it was reported, to the realisation of the holdings of the late President Spencer.

The following are the latest closing prices, &c., of the most prominent issues:—

	Closing Prices		Rise or Fall.	"Making-up" Prices.	
	Last Week.	To-day.		Dec. 24.	Dec. 11.
Atchison Com.	108½	108½	—	104	108½
Do Preferred	103½	104½	+	105½	105½
Baltimore and Ohio	124½	123	—	122½	122½
Do Preferred	95½	96	+	95	95
Chicago, Mil., & St. Paul, O Stk.	154½	157½	+	192	189½
Denver & Rio Grande Ord. Shs.	43½	42½	—	43	44
Do Preferred Shares	85½	86x	+	88	89
Erie Railroad Com. Stock	44½	43½	—	44	47
Do 1st Pref.	77½	77½	—	77½	78
Do 2nd Pref.	68½	69	+	69	70
Illinois Central Shares	173½	173	—	176	181
Louisville & Nashville, C Stock	148	146½	—	148½	151
New York Central Shares	137	137	—	134½	139
N.Y., Ontario, and W. Reg. Shs.	48½	48½	—	48½	50½
Norfolk and Western Common	94½	93½	—	93	97½
Do Adj't Pref.	93	93	—	93	93
Northern Pacific	192½	165½	—	197	227
Pennsylvania R.R. \$50 Shares	71½	70	—	70½	71½
Reading	69½	70	+	69	78½
Southern Ordinary	33½	32½	—	33½	35½
Do Non-cum. Pref.	97	95	—	98	98
Southern Pacific	95½	95½	—	94½	97½
Union Pacific Shares	185½	183½	—	184½	192
Wabash Pref. Stock	39½	38	—	43	44
Do 6% General Mort. Certs.	78	78	—	78	82

**Colonial and Foreign Railways.**—Canadian Pacifics have been depressed by the weakness of the American market, and also by reports of heavy snow-storms along the line. It was feared that the Grand Trunk might also have suffered from the latter cause; but the trouble seems only to have been really severe in the North-Western prairie section of the Canadian Pacific territory. Grand Trunks, in fact, have hardened, the traffic increase of £29,000 greatly exceeding expectations under the circumstances. Among foreign railways the principal feature has been a sharp spurt in San Paulo (Brazilian), the weekly traffic return of £47,000 representing an increase of no less than £22,000. The earnings of the other Brazilian railways also made good showings. Antofagastas were especially strong, the Deferred rising 4, and Leopoldinas also advanced. Among Argentine Rails the outstanding feature was the strength of Cordoba and Rosarios, but most of the other stocks marked improvements. Cuban descriptions were also strong, good traffic returns being again the principal influence. United Railways of the Havana rose 1, and Cuban Central ½. On the other hand, Mexican issues were rather dull, though the strike of textile operatives in the State of Vera Cruz is not regarded very seriously.

The following shows the net movement on the week in some of the principal issues:—

	Closing Prices		Rise or Fall.	"Making-up" Prices.	
	Last Week.	To-day.		Dec. 24.	Dec. 11.
Buenos Ayres and Rosario Ord.	111½	112½	+	111½	112½
Buenos Ayres Great Southern	128	128½	+	125	125½
Canadian Pacific, Shares	200	196½	—	199	201
Grand Trunk of Canada Ord.	28½	28½	—	28½	29½
Do First Preference	118½	119½	+	118½	118½
Do Second Preference	110½	110½	—	111½	111½
Do Third Preference	68	68	—	68½	69
Great Indian Peninsula B	21½	21½	—	21½	21½
Mexican Railway, Ordinary	48½	47½	—	48½	48½
Do First Preference	140	139	—	140½	141
Do Second Preference	91	89½	—	90½	89
Nitrate	16	16	—	15½	16½
San Paulo	210	215½	+	203	204½

**Mines.**—The activity in the South African market has continued throughout the week and prices have steadily hardened. Some profit-taking was reported, but fresh buying more than counterbalanced realisations, and the fact that the market continued strong up to the eve of the carry-over

speaks well for the strength of the technical position. Much of the buying has been on Continental account, and the movement has also been helped by the closing of bear commitments, but there are also signs of a revival of speculative interest locally. Several of the leading shares have marked good improvements, and in nearly every case quotations are at a higher level than they were a week ago. In other sections of the market the tendency has not been so good. Diamond shares have moved irregularly, De Beers marking a further improvement, while Montroses and New Vaal Rivers reacted. Rhodesians hardened in sympathy with Kaffirs, but Westralians and Broken Hill shares were dull. Among Copper descriptions Rio Tintos, Anacondas, and Cape Coppers further advanced, in spite of some profit-taking, and the Australian group was strong, Mount Lyells rising sharply on news of favourable developments at depth. Siberian issues, on the other hand, have been out of favour, and displayed a sagging tendency throughout the week, while yesterday a sharp relapse occurred in all the principal shares in the group owing to a rumour that the Russian Government might interfere to revoke the concessions. Victorian Deep Leads also reacted and finished lower, in spite of a reassuring statement published by the Loddon Valley Company.

The following are the prices and variations of the more active shares:—

Table with columns: Closing Prices, Rise Last To or Week day Fall. Includes sections for SOUTH AFRICAN, DEEP LEVELS, WEST AFRICAN, and COPPER AND MISCELLANEOUS.

Table titled WEST AUSTRALIAN. Columns: Closing Prices, Rise Last To or Week day Fall. Lists various gold and mining shares.

Miscellaneous.—Bank shares have been in good demand, owing to the considerable increase in profits shown by nearly all the leading institutions. The Union Bank of Australia, the National Provincial, the Metropolitan Bank of England and Wales, and the Hong-Kong and Shanghai have all marked substantial advances, and smaller gains are recorded elsewhere. In the more speculative sections of the Industrial market business has been less active, and prices have moved rather irregularly. An advance of 19 points in the shares of the Peel River Land and Mineral Company has been the outstanding feature, the report showing a big increase in the profits, and the dividend being increased from 7 to 10 per cent. Land companies generally have continued in favour, and Iron and Steel descriptions have been well supported, but Textile issues have moved irregularly, and Breweries were neglected.

Table titled MISCELLANEOUS. Columns: Closing Prices, Rise Last To or Week day Fall. Lists various industrial and utility shares.

DIVIDEND ANNOUNCEMENTS.

Table with columns: Company, Period, To, Dividend % per Annum, Dividend for Whole Year, Corresponding Period Last Year. Lists various companies and their dividend details.

Notices and Reports.

RAILWAY COMPANIES.

SOUTH BEHAR.—The report for the half-year ended December 31, 1906, states that a new contract has been entered into between the Secretary of State for India in Council and the company under date of December 11, 1906, by which the Secretary of State for India leases the South Behar Railway from the company as from January 1, 1906, at a yearly rental of £30,000, payable half-yearly, until June 30, 1919, at which date he will take over the undertaking on repayment of the amount expended by the company on the line in sterling—namely, £684,580. By this arrangement the company will be enabled, after meeting its liabilities on the 3 1/2 per cent. debenture stock and the cost of administration, to pay a dividend at the rate of 5 per cent. per annum on its capital stock up to the termination of the contract on June 30, 1919, and to repay the capital on that date together with a bonus consisting of the £15,000 premium upon the issue of 3 1/2 per cent. debenture stock, plus any remaining balance at the credit of the revenue account. For the half-year ended December 31st last, the balance at credit of profit and loss amounted to £15,415. The directors

## SUMMARY OF COMPANY PROFIT AND LOSS ACCOUNTS.

Company.	Year Ending	Balance from Last Account.	Net Profit After Paym't of Deb. Int.	Amount Available for Distribution.	Appropriation.				Corresponding Period Last Year.	
					Dividend.		Carried to Reserve, Depreciation, &c.	Balance Forward	Net Profit.	Dividend.
					Per Cent. per Annum.	Absorbing. (Incl'd'g Prf.Div.)				
<b>BANKS.</b>										
Belfast Discount .....	Half year	£ 365	£ 461	£ 826	5	£ 241	£ 100	£ 120	£ ..	% ..
Birmingham District and Counties..	Year	26,624	130,449	157,073	15	124,500	12,500	20,073	112,620	15
Canadian Bank of Commerce .....	Year	12,097	357,765	369,862	8	164,383	184,199	21,280	..	..
Halifax and Huddersfield .....	Year	2,024	29,607	31,632	8	25,453	5,000	1,178	26,438	8
Lancashire and Yorkshire .....	Year	16,561	150,271	166,832	15½	133,712	10,000	23,120	146,107	15
London and Provincial .....	Half year	42,641	102,902	145,543	18	72,000	25,235	48,308	97,890	18
London and South-Western .....	Half year	42,241	112,950	155,191	16	80,000	13,000	62,191	100,681	16
Manchester and County .....	Half year	17,410	91,416	108,826	15	74,023	15,000	19,803	85,674	15
Manchester and Liverpool District..	Half year	37,818	144,542	182,360	17½	131,250	10,000	41,110	142,054	17½
National Discount .....	Half year	10,899	42,157	53,056	10	42,333	..	10,723	54,109	10
Union Discount .....	Half year	52,006	53,437	105,443	11	41,250	10,000	54,193	51,989	11
Union of London and Smiths .....	Half year	184,558	271,496	456,054	11	194,940	50,000	211,114	228,056	11
York City and County .....	Year	19,572	148,962	168,534	16½	130,000	9,000	29,534	145,943	18½
<b>OTHER COMPANIES.</b>										
Assets Realisation Co. ....	Dec. 31	822	23,684	24,506	6	23,750	..	756	23,717	6
E. W. Tarry and Co. ....	Aug. 31	4,600	23,732	28,332	10	24,000	..	4,332	19,944	10
Fore Street Warehouse .....	Dec. 21	384	9,152	9,536	5s p.s.	7,500	..	2,036	6,274	4s p.s.
John Crossley and Sons .....	Dec. 8	1,053	40,331	42,884	5	41,479	..	1,305	40,547	5
London and Greenwich Railway .....	*Dec. 31	151	17,801	17,952	28s 3d %	17,737	100	115	17,778	28s 3d %
Peel River and Mineral (1) .....	June 30	1,339	87,607	88,946	10	60,000	27,000	1,946	49,343	7
Rio de Janeiro Flour Mills .....	Sept. 30	15,183	52,665	67,848	15	47,628	5,000	15,220	55,159	15
Robert Campbell and Sons .....	June 30	19,480	30,760	50,240	10	18,000	10,000	22,240	55,908	10
United Lankat Plantations .....	Oct. 31	12,777	111,540	124,317	40	86,441	..	37,876	56,292	25

\* For half-year. † Including £1,500 taken from reserve.

(1) In order to meet the wishes of the New South Wales Government regarding closer settlement, the directors have offered to sell to the Government about 75,800 acres of freehold land suitable for the purpose.

recommend a dividend at the rate of 5 per cent. per annum for the half-year, leaving £5,926 to be carried forward.

**BANKING COMPANIES.**

**ALEXANDERS AND CO.**—The principal items in the balance-sheet are as follows:—

	December 31.	
	1906.	1905.
Capital paid up .....	£ 500,000	£ 500,000
Reserve fund .....	50,000	50,000
Deposits and loans and bills rediscounted .....	8,757,416	8,249,777
Investments .....	757,883	1,275,035
Bills discounted .....	7,431,205	6,559,745
Loans on security and sundry accounts .....	1,026,560	935,363
Cash in hand and at bankers .....	275,491	278,313

**BRADFORD DISTRICT.**—A dividend is recommended of 5s per share for the past-half year, being at the rate of 12½ per cent. per annum; £500 is to be added to the reserve fund, and £1,482 taken in reduction of bank premises account, leaving £9,800 to be carried forward.

**BRADFORD OLD.**—The board advises payment of dividend for the past half-year at the rate of 9 per cent. per annum; that £2,500 be added to reserve fund, and that £3,000 be applied in depreciation of investments, leaving £6,480 to be carried forward.

**GLYN, MILLS, CURRIE, AND CO.**—The principal items in the balance-sheet are as follows:—

	December 31.	
	1906.	1905.
Capital paid up .....	£ 1,000,000	£ 1,000,000
Reserve fund .....	500,000	500,000
Current accounts .....	10,080,867	11,532,396
Deposit accounts .....	4,782,740	3,925,478
Cash in hand and at bank .....	2,312,934	2,702,769
Money at call and at short notices .....	4,556,143	6,052,527
Investments .....	2,701,090	2,709,402
Bills discounted, loans, &c. ....	6,443,741	5,133,177
Bank premises .....	370,000	370,000

**HALIFAX JOINT-STOCK.**—The directors recommend a dividend for the six months ending December 31st at the rate of 15 per cent. per annum, making, with the interim dividend paid in August, 12½ per cent. for the year, carrying forward a balance of £7,577.

**LLOYDS.**—The directors have declared a dividend for the past half-year of 15s per share, being at the rate of 18½ per cent. per annum, making a total distribution for the year of 18½ per cent.; £50,000 has been added to reserve fund, and £35,000 placed to bank premises account, leaving about £67,500 to be carried forward.

**LONDON AND COUNTY.**—It has been decided, after making provision for bad and doubtful debts, transferring £25,000 to premises account, carrying £50,000 to reserve fund, and allocating £50,000 to writing down the bank's holdings in corporation stocks, to declare a dividend of 10 per cent. for the half-year ended Decem-

ber 31st, leaving a balance of £97,371 to be carried forward. A year ago the dividend was at the same rate, £25,000 was transferred to premises account, £50,000 to reserve fund, and £78,317 was carried forward.

**METROPOLITAN (OF ENGLAND AND WALES).**—Subject to final audit of accounts, the directors advise a dividend for past half-year at the rate of 15 per cent. per annum, and also a bonus of 1s 3d per share, making 15 per cent. for year; to transfer £2,336 to bank premises redemption fund; £2,500 to officers' pension fund; to write £5,000 off bank premises account; and to carry forward £33,526. The distribution for the previous year was at the rate of 13½ per cent., and £20,871 carried forward.

**PARIS.**—The directors recommend a dividend for the half-year at the rate of 19 per cent. per annum, together with a bonus of 1 per cent. £10,000 is placed to bank premises account, £15,000 to officers' pension fund, while a balance of £137,783 is carried forward to the credit of next account.

**UNION DISCOUNT OF LONDON.**—The principal items in the balance-sheet are as follows:—

	December 31.	
	1906.	1905.
Capital .....	£ 750,000	£ 750,000
Reserves .....	483,177	416,618
Loans and deposits .....	15,641,510	14,849,382
Bills re-discounted .....	6,113,398	5,865,486
Cash at bankers .....	606,086	480,289
Investments .....	2,367,384	2,798,292
Loans at call and short dates .....	2,817,995	2,926,802
Bills discounted .....	17,324,244	15,816,185
Premises, &c. ....	107,017	107,276

**UNION OF AUSTRALIA.**—The directors have resolved to declare a dividend at the rate of 10 per cent. per annum, equal to £1 5s per share, and a bonus of 2 per cent., equal to 10s per share, the dividend and bonus together amounting to £1 15s per share, appropriating £10,000 in reduction of bank premises in the colonies account, £20,000 to the officers' guarantee and provident funds, £35,000 to the bank's reserve fund—thereby making it £1,120,000—leaving about £31,000 to be carried forward. A year ago the total distribution was at the rate of 10 per cent.; £0,000 was applied in reduction of bank premises, £4,000 was placed to officers' provident fund, £15,000 to reserve, and about £28,000 was carried forward.

**INSURANCE COMPANIES.**

**CLERICAL, MEDICAL, AND GENERAL.**—The quinquennial report giving the result of the financial and actuarial investigation made as at June 30th last shows that during the five years new life assurances were effected for a net sum of £3,170,708, as compared with £2,907,556 in the preceding period, while the claims by death amounted to £1,042,373, showing an actual decrease of £100,948. Receipts from premiums amounted to £1,613,490, and from interest to £799,627, showing increases of £155,399 and £108,347 respectively, and the life assurance fund rose from £3,833,914 in 1901 to £4,525,786 in 1906. The net subsisting assurances were 15,263 in number, assuring £11,087,696, as compared with 14,083 policies, assuring £9,812,539, five years ago. By the adoption of the new OM (5) table, with interest



small supply, while local millers are good purchasers of well-conditioned lots at a steady range. Useful reds, country rail, 27s 6d to 28s per qr. With little or nothing doing here, delivered up quotations remain the same: whites, 29s to 30s 6d; and rough chaff, 29s 6d to 30s 6d; reds ruling at 28s to 29s per qr, 504 lbs. Imported descriptions move barely in holders' favour, with sufficient available and coming forward to fill necessary needs, while attention is closely centred in the approaching Argentine new crop shipments, which render every likelihood of being liberally sustained. Manitobas are fairly steady, though dull of sale. White wheats are well supplied. No. 1 Northern Manitoba, 31s 9d; No. 2, 31s 3d, both ex ship. No. 1 hard Manitobas, in similar position, 32s 6d to 32s 9d; hard winters being nominal at 30s 6d. Australian, on spot, 30s to 31s, 496 lbs. New Zealand, long berry, 29s to 30s; and short, 28s to 29s, with ill-conditioned qualities still under. Russian and Danubian shipments suffice, and there are liberal sellers at current rates. On sample, 27s to 33s, ex granary. Indian is almost cleared, and what comes along is considered too dear. Choice white Karachi, 30s 3d; reds, 29s 3d, both landed. There is no improvement in the tone of the flour market, while ruling rates, though low, face indifferent buyers. Taken generally, supply is not short, while, as matters move, the situation is provoked by this season's wheat outlook from the Argentine Republic. Minneapolis patents could be bought at about 3d less than a week ago, and Kansas bakers, both available and for prompt despatch, still tends below recent figures. Minneapolis first patents, 23s 6d to 24s; seconds, 22s 6d to 23s, both landed. Of bakers' grades, Iron Duke, 19s 9d to 20s, ex store; good brands of Kansas patents, ex store, 22s; top price town-made, 28s; No. 1 households, 22s per sack, ex mill; Cascadia ruling at 23s 9d, ex store. Country makes railed to London, though in continued satisfactory character, are more than enough, and asking prices are passed, the tendency being 3d cheaper since last Monday. Hungarian flour, though in continued scarcity, as of late (inasmuch as concerns leading brands) is barely so well maintained, and, to facilitate trade, buyers are favoured, between 29s 6d and 30s 6d, according to brand, ex store. Australian patents continue difficult of sale, 20s 6d to 21s 6d, ex store, being nominally named. Business in wheat cargoes again pursued a dragging course, bids being few and far between. Holders, however, manifested no inclination to force trade, and prices on balance were generally maintained, being rather dearer in the case of River Plate descriptions. Rosario-Santa Fé, 64 lbs, January clearance, sold, 28s 6d; the City of York, 64 lbs, first half January, 28s 7½d; the Bramham, 61½ lbs, December 28th, 28s 6d; 4,500 tons, 64 lbs, February-March, 28s 7½d; and the Dalcairnie, South Australian, off coast, at 31s. Only a moderate demand prevailed for parcels. No. 1 Northern Manitoba, afloat, sold, 30s 1½d; January, 30s 1½d; February, 30s 1½d; No. 2 ditto, afloat, at 29s 6d, January-February, 29s 6d; No. 1 hard Manitoba, afloat, 31s; red Karachi, afloat, 30s; and South Russian, ditto, 27s 9d. There is a steady business doing in English malting barley at previous prices. Grinding descriptions were held reservedly, and a firmer tendency has predominated. Odessa-Nicolaieff quoted 20s 6d, and Persian, 18s 9d to 19s, ex quay. The cargo market for this grain was firm, though at the same time very quiet. Of parcels, Odessa-Nicolaieff, afloat, sold, 20s. Maize, on spot, encountered but a quiet sale, though recent values were asked. River Plate quoted 21s 6d, landed; and Odessa, in this position, 20s 6d. River Plate cargoes quiet, but steady, European kinds being upheld in value. The Everest, Danubian, December 25th bill of lading, sold, 20s 1½d; Danubian-Galat-Foxanian, January 4th, 20s 3d; Galatz-Foxanian, February-March, 20s 3d; and Galatz-Foxanian-Bessarabian, January, half old crop, at 20s 9d. American mixed parcels, January, sold, 19s 3d, shipping or shipped, 19s 1½d; La Plata, afloat (bulk), 20s 1½d; Odessa, December, 20s 3d to 20s 6d; January, 20s 1½d to 20s 3d; and February, 20s. Imported oats firm, but quiet. 38 lbs white Libau, 16s 3d to 16s 6d, ex quay, as to sample. To arrive, La Plata, January-February (bags), sold, 15s 9d to 15s 10½d; February-March, 15s 10½d; and January-February (bulk), 15s 6d.

The following table estimates the home consumption of wheat during the harvest year 1906-7, contrasted with 1905-6, and 1904-5, 1903-4:—

	1906-1907.	1905-1906.	1904-1905.	1903-1904.
Imports—Wheat (18 weeks to Dec. 29)	29,232,800	30,522,500	37,568,400	34,944,500
Flour " "	5,270,100	5,359,500	4,359,400	9,172,400
Add week ending Jan. 5 — Wheat	34,502,900	35,882,000	42,327,800	44,116,900
Flour .....	1,753,200	1,481,200	1,954,600	1,449,400
	261,600	331,200	148,700	516,800
Total imports 19 weeks .....	36,517,700	37,694,400	44,431,100	46,083,100
Less exports—Wheat .....	105,500	133,700	61,900	69,500
Flour .....	33,900	42,200	19,900	20,700
Net imports .....	36,378,300	37,518,500	44,349,300	45,992,900
Add to this the estimated sales of home-grown wheat .....	14,724,300	17,842,300	9,528,100	10,004,600
Nineteen weeks' home supplies .....	51,102,600	55,360,800	53,877,400	55,997,500
Average price of English wheat per quarter	s d	s d	s d	s d
— per cwt.	26 0	28 4	30 4	26 6
	6 0	6 6½	7 0	6 1½
* Visible supply " in U.S. centres, bush.	45,768,000	45,226,000	40,266,000	40,200,000
Do do = in cwt.	24,518,600	24,228,200	21,571,100	21,535,700

COMPARATIVE AVERAGES OF GRAIN.

The following is a statement showing the Quantities Sold and the Average Price of British Corn (Imperial Measure) in the six weeks ended January 5, 1907, and for the corresponding week in each of the years from 1906 to 1903:—

	QUANTITIES SOLD.			AVERAGE PRICES.		
	Wheat.	Barley.	Oats.	Wheat.	Barley.	Oats.
1907.	qrs bush	qrs bush	qrs bush	s d	s d	s d
Jan. 5..	24,559 5	31,733 5	14,773 2	26 0	23 11	17 3
1906.						
Dec. 29..	49,637 6	97,796 7	29,124 1	26 0	24 1	17 3
22..	68,977 6	127,131 1	31,528 2	26 3	24 3	17 3
15..	70,332 1	135,513 2	36,175 2	26 1	23 11	17 3
8..	63,264 0	167,532 3	37,119 7	26 1	24 1	17 4
1..	60,299 2	160,173 6	34,743 7	26 1	24 1	17 2
1906 .....	30,065 6	43,407 6	14,000 6	28 4	24 6	18 2
1905 .....	23,757 3	45,191 0	18,230 3	30 4	24 4	16 3
1904 .....	41,191 3	82,588 4	31,462 5	26 6	22 6	15 7
1903 .....	43,435 4	85,203 5	24,470 1	24 11	24 1	17

THE IRON AND COAL TRADES.

Undoubtedly the most striking feature in the iron market during the past week has been the further advance in hematite. Coke has been rushed up to 25s per ton, and in some cases as much as 27s 6d has been asked, while rubio ore, difficult to get at 24s 6d, is absolutely unobtainable under that figure. No producer of hematite is now quoting less than 81s 6d, and many, owing to the satisfactory condition of their order books, are standing out firmly for 82s 6d, and even 83s per ton. With shipbuilders and angle and plate-makers so busy, the demand is hardly likely to fall off, but until prices attain a higher level there is not a lot of profit attached to the making. As regards ordinary Cleveland iron, the operations of warrant-holders have very much unsettled the market, and business has been conspicuous only by its absence. Makers are not inclined to accept anything under 61s 6d, but warrants have been down to 60s 1½d, buyers. Shipments have naturally been quiet since the opening of the year, but in sufficient quantity to further reduce the stocks. To-day's (Friday) prices in Glasgow were as follow:—Cleveland, 61s to 61s 3d cash, 61s 5d to 61s 9d one month; buyers, 61s 3d cash, 61s 9d one month; sellers, 1d more. Market strong, large business. Cumberland, 79s 9d one month; sellers, 79s 9d one month, 80s 2d three months. Market steady, small business. Turnover about 15,000 tons. Connal's Stores to-day:—In Glasgow: Scotch, 5,286 tons; other makes, 4,000. Middlesbro' No. 3, 508,975 tons; standard, 20,077 tons; hematite, nil.

Our Middlesbro' correspondent, writing on Thursday, says:—Pig-iron: The sharp fall in warrants at the beginning of the week had the effect of checking further inquiry for makers' iron. The latter iron is, however, so scarce for early delivery that makers can afford to hold off the market for some time. Cleveland No. 3 G.M.B. pig-iron is now steady at 61s 6d, while East Coast hematite mixed numbers are 81s 6d; both prices are nominal. Manufactured iron and steel: Prices are firm and works are busy. The platers' strike at the shipyards has been settled. Steel ship plates, £7 10s; steel ship angles, £7 2s 6d; iron ship plates, £7 15s; iron ship angles, £7 15s; iron bars, £8, all less 2½ per cent. Iron ore: Although the demand has eased off, prices continue high. Best Bilbao Rubio iron ore (50 per cent. iron), 24s 6d; Gellivare and L/K Swedish iron ore (60 per cent. iron), A grade, hematite, 27s 6d; C grade, Cleveland, 22s 6d; F grade, basic, 22s 6d, c.i.f., N.E. coast ports.

The Iron and Coal Trades' Review writes respecting manufactured iron and steel: There is no diminution of activity in the various branches of the finished trade. Steady progress continues to be maintained, and business is developing in a satisfactory way. The works are now fully occupied, and order books are well filled. A large output of heavy-section rails is in operation, and the export demand for steel sleepers is also maintained at a good level. At Monday's meeting of the North-East bar manufacturers, another 5s per ton was added to quotations, making 15s advance in the last few weeks, and establishing the price of common iron bars at £8, the highest recorded for the last six years. Packing iron quotations were also raised 5s, bringing them up to £6 10s to £6 15s. On Thursday's Exchange at Middlesbro' prices of steel angles, joists, and rivets were advanced 5s per ton. During the week the prices of both steel and iron sheets have also moved upwards, the former by 5s a ton for both singles and doubles, and the latter by 7s 6d. Iron ship, girder, and boiler plates have likewise been increased by 5s per ton.

The coal markets have now resumed a more settled condition, and business has practically reached the normal level. The tone on the Newcastle exchange is still firm for forward business, but for prompt delivery at the present time is rather inclined towards easiness. Steams are quieter, but foundry coke is in such demand that there is none to be obtained for export, and the price has risen 10s or 12s during the last month. Quotations:—Best steams, 11s 6d to 12s 6d; small steams, 7s 3d to 8s 9d; Northumberland unscreened, 10s 3d to 11s; gas coals, 11s 6d to 12s 6d; coking coals, 12s to 13s; coking smalls, 12s 6d; bunkers, 11s 9d; best foundry coke, 30s. There is so much doing in shipments in South Wales that it is difficult to place any order for prompt delivery, and with stems well fitted for

some time ahead, quotations are hardly more than nominal. There are many contracts now open, but with rates so high, a large number will doubtless be withdrawn. There is now no lack of tonnage in the docks, the only difficulty lying in getting the coal on board with sufficient rapidity to prevent a glut of steamers. Quotations:—Steam coal: Large, very best, 17s to 17s 3d; best seconds, 16s 3d to 16s 6d; large seconds, 15s 6d to 15s 9d; dries, 15s 9d to 16s; best washed nuts, 13s 6d to 14s; seconds, 12s to 13s; best washed peas, 12 to 12s 3d; seconds, 10s 6d to 11s; smalls, best, 11 to 11s 3d; good ordinaries, 10s 3d to 10s 6d; smalls, seconds, 9s 6d to 10s; smalls, inferior sorts, 8s to 8s 6d; Patent Fuel: best, 15s 9d to 16s 3d; Bituminous Coal: Households, best, 16s 6d to 17s; households, seconds and other sorts, from 11s 6d to 15s; No. 3 Rhondda large, 16s to 16s 6d. There is little that is fresh to be said of the Lancashire branch of the industry. The demand for all sorts shows no abatement, and furnace and engine fuel—the latter more especially, is hardly sufficient for requirements, so that no difficulty is experienced in getting the increased rates. Engine slack is particularly wanted for coking purposes. Quotations.—Manchester District: Best housefire coals, 14s 6d to 15s 6d; seconds, 13s 6d to 14s; common, 10s 6d to 11s 6d; furnace and manufacturing fuel, 10s 6d to 11s 6d; engine fuel, 8s to 8s 6d; best slack, 7s 6d to 8s; medium, 7s to 7s 6d; common, 6s to 6s 6d, at the pits.

THE COTTON TRADE.

LIVERPOOL, January 11.

There has been a good demand for cotton on the spot and for forward delivery. Estimated spot sales, \$2,000 bales, of which 73,870 are American, 2,100 Egyptian, 5,010 Brazilian, &c., 260 African, 730 East Indian, 30 sundries. Of these, 9,500 bales are for export and speculation, and 72,500 for the trade. Imports, 118,749 bales, including 81,804 American, 19,144 Egyptian, 13,579 Brazilian, &c., 113 African, 4,109 East Indian. In American, a large business has been done, and the quotations of low middling and below are advanced 5 points, middling 9 points, good middling and middling fair 13 points, and fully good middling 15 points. Middling quoted 5.96. Sea Island descriptions have been in demand at steady prices. In Brazilian, a fair business has been done at advancing rates, and quotations are raised 37. Smooth has been in good request, and quotations are generally raised 15 to 35 points. In Egyptian a moderate business has been done, the quotations of good fair and fully good fair upper are raised 1/8, but the quotation of fine brown is reduced 1/8. Joanovich and Abbassi unchanged. In East Indian, a fair business has been done, and the quotations of Tinnivelly are raised 1/8. Other descriptions, 1/8. Futures are 5 1/2 to 9 1/2 points higher for old crop, and 2 1/2 to 4 higher for new crop, deliveries closing steady. January, 5.60 1/2; January-February, 5.60; February-March, 5.58 1/2; March-April, 5.57; April-May, 5.56 1/2; May-June, 5.56 1/2; June-July, 5.55 1/2; July-August, 5.54 1/2; August-September, 5.48; September-October, 5.41; October-November, 5.35 1/2; November-December, 5.35. Egyptian futures are 5 to 7 points higher.

CURRENT PRICES—THURSDAY.

Table with columns for Descriptions, Com., Med., Good Med., Fine, Extra Fine, Same Period 1906, Same Period 1905. Rows include American, Brazilian, Egyptian, East Indian, and various grades of cotton.

Imports, Exports, Consumption, &c. January 4.

Table with columns for Imports, Exports, Consumption, Stock and sub-columns for 1907, 1906, and In or Dec. Bales.

The imports for the week ending Jan. 4th amounted to 151,821 bales, and the quantity of American cotton reported at sea for Great Britain (including cable advices to date) is 342,000 bales, against 317,000 bales at the corresponding period last year.

MANCHESTER, January 10.

A firm tone has prevailed throughout most sections of the market during the past week, and in piece goods for export a healthy demand has again shown itself. For India some fairly large lines have been entered, most of the orders being for Calcutta. Shirtings have moved off well, but the offers for finer cloths have been too low on the whole. For China occasional lines of weight have been mentioned, but free buying seems to be practically over. The minor markets of the Continent have shown a little more activity, the demand for the Levant being better. Home trade American yarns have been in improved request, but users have found spinners stiff and difficult to deal with. The demand for shipping bundles has been better for India, buyers being more prepared to pay spinners' prices. Bolton spinnings remain strong with an unimportant demand.

(I.) Comparative Statement of the Cotton Trade.

Table comparing cotton trade prices from 1907 to 1906. Columns include Price, Jan. 10, 1907, and Previous Weeks in 1906-7 (Jan. 3, Dec. 27, 19, 13, 6).

(II.) Compared with Previous Years.\*

Table comparing cotton trade prices with previous years (1906, 1905, 1904, 1903, 1902) for various cotton grades.

\* American cotton being quoted in decimals of a penny (no discount) from October 1, 1902, we give the prices at corresponding dates of previous years in approximate decimal equivalents. † Nominal quotations.

Messrs. Neill Bros., in their cotton circular of the 10th inst., state that the receipts for the four weeks ended January 4th, amounted to no less than 1,952,000 bales, against 1,276,000 in 1905-6, and 1,441,000 in 1904-5, making the total brought to light to January 4th actually 134,000 bales ahead of that of the 13,900,000 crop of two years ago. This excess is daily increasing, so that by the end of the present month it will probably exceed 300,000 bales, and by the end of February it may have reached 500,000 bales, above the monster crop of nearly 14 millions. The heavy receipts are causing a noteworthy increase in the stocks at the American ports. These are now 200,000 bales greater than last year, against a deficiency of 135,000 on November 16th, and the interior stocks also show a considerable relative increase. The American spinners have taken from the U.S. ports 217,000 bales in four weeks, against 195,000 last year, and the balance has been exported, viz., 1,125,000 bales, against 830,000 last year and 983,000 in 1904-5. Notwithstanding the heavy spinners' takings, the visible supply of American cotton has increased much more rapidly than in any previous year, and has now entirely recovered the deficiency of 900,000 bales compared with last season, which existed towards the end of September. Thus far the ginneries report—an excess already ginned in the first four months of 2,028,000 bales. Should the amount counted for the balance of the season give no further increase on last year's small figures, the total crop would come out 11,160,000 (growth of 1905-6), plus the present excess of 2,028,000, a total of 13,188,000 bales. Then take the monster crop of 1904-5, and the quantity ginned to date 11,750,000 against 12,416,000. This is for so far a deficiency of 666,000 bales, and assuming no more than that year for the future, this deficiency off the total growth of 13,900,000 of that year would leave the growth of the present season 13,234,000 bales. But it would be absurd to imagine that there will be no excess for the remainder of the season, seeing that for the last two months there has been a steady increase over either of the two previous years. The results are similar on the average of the two comparisons.

if we take not the ginnings but the cotton brought to light from all sources. Surely then the case is proved, so far as it can be in the middle of the season, for a crop of not less than our early maximum figure of 13,500,000—our original estimate having been 13 to 13½ millions. We do not at present think it necessary to make any formal change in our original estimate, but all the known facts point to the result being much nearer our maximum figure of 13½ than the minimum of 13 millions, and probably exceeding that maximum.

**THE WOOL TRADE.**

Messrs Sanderson, Murray, and Co. have received the following telegram from their Melbourne branch, dated January 7th:—The sales have been resumed after the usual Christmas interval. The market has opened very firm.

Our Bradford correspondent, writing on Thursday, says:—The condition of the market for raw material is extraordinary. Spinners for the most part are buying very little, most of them by this time having covered their requirements for some time to come. And yet there is a keen demand for wool, and especially for the crossbred and English sorts. This is due to the fact that, though topmakers have sold, they are caught without the stuff wherewith to deliver. Hence there is already some talk of purchases in the open market of 40's tops at 17½d, against topmakers' contract to deliver at 15¼d per lb. Hence we find also that the keenest buyers at Buenos Ayres are the English topmakers, because they can get the wool home a month earlier than their New Zealand purchases. On Tuesday next the London sales open, and fortunately the quantity of crossbred to be offered, though not large, is some 10,000 bales ahead of the same series last year. If the sales go dearer a further advance in English wools may be looked for. Meanwhile, prices are very firm, and probably, on the average, within a halfpenny or three-farthings of the clip level.

Messrs Chas. Balme and Co., writing on January 10th, report as follows:—Since the turn of the year a fair amount of inquiry has been experienced in the London market for both merinos and crossbreds, and several parcels of the former have changed hands at full prices. In the manufacturing districts, both at home and abroad, wools are going into consumption very freely, and the tendency of quotations for all classes is in sellers' favour. In these circumstances, the prospects for the ensuing sales, which commence on the 15th instant, appear distinctly favourable, and it is generally anticipated that December rates will be fully maintained, and possibly slightly enhanced, more particularly as regards the coarser grades of staple, stocks of which in the industrial centres are practically exhausted. The quantity available for the auctions comprises:—Australian, about 105,000 bales New Zealand, 37,000 bales; South African, 9,500 bales; total, 151,500 bales. The series, as at present arranged, will last until the 30th instant.

Messrs Helmuth, Schwartz, and Co. state that the Antwerp sales of River Plate wool on the 8th inst. included 1,984 bales, of which 927 bales were sold. There was a good attendance, and animated competition, particularly by English buyers, and merino wools realised very full November prices, while crossbreds ruled from par to 3 per cent. higher.

The following is a list of the London Colonial Wool Sales which commence on January 15th, being the first series this year:—

Date.	Selling Brokers.	Sale Empt.	Date.	Selling Brokers.	Sale Empt.
Jan.	No.	Jan.	Jan.	No.	Feb.
15	Buxton, Ronald, and Co.	1	23	H. Schwartz and Co.	6
	Jacomb, Son, and Co.	29		John Hoare and Co.	2
	C. Balme and Co.	1	24	Buxton, Ronald, and Co.	7
16	Du Croz, Doxat, and Co.	1	25	H. P. Hughes and Sons	2
	H. Schwartz and Co.	30		Jacomb, Son, and Co.	8
17	H. Irwell and Co.	1	26	Windeler and Co.	9
	Thomas and Cook	31		C. Balme and Co.	3
	Windeler and Co.	1	28	H. Thomas and Cook	11
			28	H. Irwell and Co.	2
18	Buxton, Ronald, and Co.	2	29	Willans and Overbury	12
	Willans and Overbury	1		H. Schwartz and Co.	3
19	Jacomb, Son, and Co.	2		Du Croz, Doxat, and Co.	3
	John Hoare and Co.	2	30	C. Balme and Co.	4
21	Du Croz, Doxat, and Co.	2		Jacomb, Son, and Co.	15
22	C. Balme and Co.	2		Buxton, Ronald, and Co.	4
	H. P. Hughes and Sons	1			

**THE LEATHER TRADE.**

The improvement in the demand for leather since the holidays has been gradual, but slow, and no activity is evident. Values of most descriptions are firmly maintained, with the exception of common tannages of bellies, in which concessions of as much as ½d. pull have been made, and are still obtainable. There has been more business in Australian leather, without alteration in values, and there is a prospect of a better supply from this quarter. Quotations for East Indian tanned leather are firmly held, at a very high level.

**FOREIGN AND COLONIAL PRODUCE MARKET.**

For Reports of To-Day's Business and Public Sales see "Postscript." Mincing Lane, January 11.

**SUGAR.**—The market opened the week quietly, but subsequently an improved demand from consumers imparted more steadiness to values in general, and a moderate volume of business resulted. The statistical position affords no striking feature just now. Raw kinds quiet, but steady. To refiners, firsts, basis 88 per cent., sold,

9s 0½d to 9s 1½d, c.f. and i. World's visible supply at the moment is estimated at 3,256,000 tons, as compared with 3,315,000 tons at corresponding period last year.

**HOME REFINED.**—A moderate business was effected in cubes at steady prices. Tate's, No. 1, sold, 18s 10½d; No. 2, 17s 10½d. Pieces quiet. Mid to good yellow, 12s 6d to 13s 9d; whites, 14s to 15s. Fine granulated, 17s 6d; standard ditto, 17s. Lyle's No. 1 granulated, 17s 4½d; No. 2, 16s 4½d. Yellow crystals 15s 4½d to 15s 9d, as to make.

**FOREIGN REFINED.**—Cubes steady, W. S. R., prompt, sellers, 13s; Meyer's, 12s 7½d; S. and T., 12s 9d; R. A. V., 12s 9d; P. G. R., 12s 6d; C. Z. R., 12s 7½d; S. Z. G., 12s 6d; Say's, 13s, f.o.b. terms. French crystals nominal. German granulated is rather steadier on the week. Ordinary first brands ready, sold 10s 6d to 10s 6½d; good marks, 10s 6½d to 10s 7½d; January, 10s 6d to 10s 6½d; February-March, 10s 6d to 10s 6½d; and May-August, 10s 9d to 10s 10½d, f.o.b. terms.

**BEEF** market was generally quiet, and prices somewhat irregular, but firmer. February, sold, 8s 9d to 8s 10½d; May, 9s 0½d, 9s 1½d, and 9s 1½d; August, 9s 2½d to 9s 3½d, and 9s 3½d, f.o.b., Hamburg.

**CANE-GROWN.**—At public sale on Tuesday a quiet demand predominated for the crystallised West India submitted, prices, however, showing no change. 3,362 bags Trinidad partly found buyers, brownish at 15s 6d. 1,198 bags Demerara: good bright at 17s 6d, and good yellow at 17s 1½d to 17s 4½d. Privately, 100 bags crystallised Demerara sold, 17s 6d for good colour. 200 bags Mexican syrups found buyers at 13s 3d. 50 tons native Penang, afloat, sold, 8s 9d, landed terms, London.

Imports and deliveries of sugar into London for past week, with stock remaining:—

	1907.	1906.	1905.	1904.
	Tons.	Tons.	Tons.	Tons.
Imported .....	2,070	1,962	1,865	1,760
Delivered .....	1,912	1,524	2,450	1,296
Stock .....	17,710	16,035	24,570	34,360
Stock U.K. ....	63,500	87,960	79,750	103,800
Cane jaggery..per cwt	8/	7/3	11/3	7/6
Best, 88 % .....	8/10½	8/3	16/	8/0½
Java afloat .....	10/6	9/6	17/	9/4½

**RUM** remains steady, and a moderate business resulted during the week.

**GLUCOSE** quiet in all positions. American liquid, 43 per cent., on spot, 10s 6d, and to arrive 8s, c. f. and i. terms.

**COFFEE.**—Moderate supplies were catalogued for public sale this week, and experienced a fair demand at about previous prices. 980 bags washed Dumont, smalls to bold, 37s 6d to 48s. 4,025 bags unwashed Dumont, on quay terms: smalls to bold, 34s to 43s; peaberry, 38s to 43s 6d. Santos, on quay terms, bought in. Colombian: fair bold greenish, 53s; medium dull greenish, 47s to 50s; dull greyish, 45s 6d to 47s 6d; low middling, 44s to 44s 6d; damaged dull pale greenish, 46s 6d; dull faded, 46s 6d; pale mottled greyish, 47s 6d. Costa Rica new crop: fine bold colory, 77s to 85s; good bold, 66s to 70s 6d; middling, 51s to 57s; dull smooth brownish, 50s; peaberry, 49s up to 10ts 6d. Nicaragua, small foxy, 31s. Mexican, damaged dull greyish, 46s to 47s 6d. Honduras, faded palish, 52s 6d. Nyassaland: dull greenish, 46s to 46s 6d; low middling, 41s to 45s. The future delivery market proved quiet and easier. Santos: March, sold, 32s to 30s 10½d and 31s; May, 32s 7½d to 31s 3d and 31s 6d; September, 33s 1½d to 32s 3d.

Imports and deliveries of coffee into London, week ending 5th inst., with stock remaining:—

	1907.	1906.	1905.	1904.
	Tons.	Tons.	Tons.	Tons.
Imported .....	383	978	740	1,099
Delivered, home use	284	276	347	242
" export .....	274	506	653	234
Stock .....	14,394	23,400	35,000	33,320

**SANTOS COFFEE.**

The London Produce Clearing House, Limited, supply the following quotations for good average Santos coffee:—

	Jan. 5.	Jan. 7.	Jan. 8.	Jan. 9.	Jan. 10.	Jan. 11.
	10 30	1 0	10 30	2 30	10 30	2 30
	a.m.	p.m.	a.m.	p.m.	a.m.	p.m.
Jan.	31	6 31	7 31	6 31	3 30	9 30
Mar.	32	1 32	4 32	3 31	9 31	4 31
May.	32	9 32	10 32	7 32	3 31	10 31
July.	33	3 33	4 33	3 32	9 32	3 32
Sept.	33	7 33	9 33	6 33	1 32	7 32
Dec.	34	0 34	1 34	10 33	1 33	1 33

Contracts for 47,500 bags Santos coffee registered during the week.

**COCOA.**—At Tuesday's auctions the supply brought forward experienced a fair inquiry, and though recent private rates were not quite maintained, a marked rise was noticeable on comparison with those ruling at last December sales. 856 bags Ceylon: fair bold, 81s 6d to 83s 6d; low middling, 76s 6d; native, 67s to 74s. 150 bags Trinidad: fine, 95s to 96s 6d; good, 90s. 907 bags Grenada: fine, 85s 6d; Trinidad character, 90s; fair to good red, 82s to 84s 6d; pale, 78s to 81s; common, 75s. 508 bags St Lucia: fine red, 86s to 86s 6d; fair, 82s to 82s 6d; fair palish, 81s to 81s 6d; ordinary, 78s to 79s. 192 bags Jamaica partly found buyers: red, 81s to 82s. 717 bags Dominica: good red, 82s 6d; fair, 80s 6d to 81s 6d; dull reddish, 79s 6d to 80s; common to fair pale, 76s to 79s. 24 bags Demerara sold, 60s 6d. 100 bags Surinam retired, also 92 bags West Coast African. 974 bags Guayaquil partly sold; Caraquez, 80s to 85s; four bags



Colombian sold, 90s; 111 bags Bahia at 81s 6d; and 497 bags African, few sold, 85s. 120 bags Java were mostly bought in. 200 bags St Lucia sold privately at 78s to 84s, and 300 bags summer Ariba, 89s to 90s.

**COCOA BUTTER.**—250 cases Cadbury's offered and sold, 1s 8½d to 1s 8½d, average being 1s 8½d, against 1s 2½d last sales. At public sales in Amsterdam Van Houten's averaged 90'40c, against 83'90c last December.

**COCOA SHELLS.**—936 bags sold: A, 127s 6d; B, 122s 6d to 125s; C, 142s 6d; D, £14 7s 6d to £14 10s, 120 bags in bond changed hands at 102s 6d.

**TEA.**—Public sales were resumed this week, some 55,150 packages Indian being offered. Competition proved good and generally well distributed, prices being firm, and frequently rather dearer concerning common grades. Common to good pekoe sold, 5½d to 10½d; fair to good broken ditto, 7½d to 1s 0½d; orange, 7½d to 1s 2½d; broken orange, 5½d to 1s 1d; extra, 1s 5½d to 1s 7d; pekoe souchong, 5½d to 8½d. Ceylon sales proceeded with a firm tone, competition being carried on with animation. Pekoe, medium to good ditto, 6½d to 9d; broken, 7½d to 11½d; souchong, 5½d to 8d; orange, 10½d to 1s 1½d; broken orange, 8½d to 1s 8½d per lb. Of 1,119 packages China offered, only a few sold. Oolong, 10d; and Ningchow congou, without reserve, 8d. 3,587 packages Java realised firm rates. Pekoe sold, 6½d to 7½d; broken, 5½d to 9d; pekoe souchong, 5½d to 6½d; orange, 7½d to 1s 2d; and broken orange, 7d to 1s 0½d. 2,244 packages China partly found buyers. Gunpowder, 4½d to 1s 3½d; Sow-Mee, 5½d to 10½d; Foong-Mee, 5d to 1s 0½d; Imperial, 6½d; and young Hyson, 3½d to 6½d per lb.

**RICE** quiet, but steady.

**TAPIOCA.**—At public sale 870 bags flake were catalogued, but only a small part changed hands, Singapore at 2½d per lb. 958 bags medium pearl were partly disposed of at 22s to 25s per cwt. 22 bags Rio bought in. 120 bags cleaned rice sold at 9s to 16s per cwt.

**SAGO.**—128 bags small and 85 bags medium were offered, and failed to sell. 20 bags large found buyers at 14s 6d per cwt. 180 bags ditto, without reserve, were taken.

**ARROWROOT** was not represented.

**BLACK PEPPER.**—A moderate business was effected, and prices maintained at fairly steady level. Fair Singapore, on spot, quoted 5½d; January-March sold 4 21-32d to 4½d, c.f. and i. terms. In auction 120 bags greyish Lampong partly sold, 4½d; and Aleppy, 5½d per lb.

**WHITE PEPPER** proved generally quiet. Fair Singapore, on spot, 6½d, and February-April, sold, 6½d, c.f. and i. At public sale, 176 bags Singapore offered, of which a few sold, at 6½d; 138 bags ditto, without reserve, sold, 6½d to 6¾d. 83 bags Muntok were taken out.

**CLOVES,** after being dull and easier, became steadier. Zanzibar, January-March, sold, 7d to 6½d and 7d; March-May, 7½d to 7d; and June-August, 7½d.

**CHILLIES.**—60 bales Zanzibar bought in. 112 packages Mombassa few sold, 45s to 47s.

**PIMENTO.**—51 packages, without reserve, sold, 2½d to 2¾d.

**NUTMEGS.**—84 packages West India sold, 71's, 10d; 74's, 9d; 80's to 88's, 8d to 9d; 107's, 6d; and 110's, 6d. 69 packages Eastern, few sold defective, 4½d to 5½d.

**MACÉ.**—19 packages West India sold, 1s to 1s 4d, 12 packages wild being taken out.

**GINGER.**—In auction, 13 packages Jamaica were offered, and wormy sold, at 61s; small, 60s per cwt. 560 packages Cochin, few sold; medium limed native cut, 50s; common rough wormy, 25s 6d to 27s; tips, 28s 6d; cuttings, 28s per cwt. 38 packages Japan bought in.

**FRUIT.**—There has been a moderate business doing in currants, at firm rates. Provincial, 26s 6d; Gulf, 29s to 31s; Panariti, 30s to 31s; and smalls, 30s to 32s. Smyrna Sultanias sold, 45s to 48s.

**VANILLOES.**—Small supplies were brought forward at public sale, and a good inquiry was accorded, prices being about steady. Seychelles, firsts, fair to good plump beans, good flavour, slightly crystallised, sold, 7½ to 8 inches in length, 12s; 7 inches, 8s to 9s 6d; 6½ inches, 8s 6d; 5½ to 6 inches, 6s 9d to 8s; 5 to 5½ inches, at 7s 3d; splits, 5s to 5s 3d; foxy brownish, 4s 9d to 5s 3d. Bourbon, good quality firsts, 4 to 5 inches, 6s to 6s 9d; and splits, 5s 6d to 5s 9d.

**ISINGLASS.**—Para at Tuesday's auctions maintained the recent improvement. Lump, fair palish, 3s 1d; fair to good yellow, 2s 8d to 2s 9d; honeycomb, part thin, 1s to 1s 5d. Maranham dearer. Lump, red and yellow, 2s 5d to 2s 6d; tongue, fair palish, 2s 10d to 3s 2d. Bombay dearer for leaf. Karachi, leaf, good stout yellow, 3s 9d; stout, red and yellow, 2s 7d to 2s 11d. Tongue, Penang character red, 2s 3d to 2s 4d; purse, red and yellow, 1s 1d to 1s 2d. Penang dearer for leaf. Tongue scarce. Leaf, good yellow, 4s 5d to 4s 5d; tongue, reddish, 2s 7d to 2s 10d; and purse, red and yellow, 1s 1d. Saigon again dearer. Long leaf, fair to good palish yellow, 5s 4d to 5s 9d; circular leaf, red and yellow, 4s 2d to 4s 3d per lb.

**JUTE.**—Business proved very quiet during the week, and rates declined on more pressure being shown to sell. Native first marks, January-February, sold, £26 15s down to £26, but later £26 5s, and buyers; and J. G. lightning circle, D. to E. group, at £22 15s; and tops of firsts, at £28 5s, c.f. and i.

**HEMP.**—Manila descriptions met a good demand in the early part of the week, and prices hardened, though a subdued inquiry prevailed later. Fair current, December-January and December-February, sold £42 10s, and subsequently £43 to £42 10s; superior seconds, dock, £41; ditto, December-January, £41 10s; good seconds, January, £40 5s to £40 10s; ditto, February-April, £40 to £40 5s; ditto, April-June, £39 15s to £40; ditto, May-July, £39 15s to £40; fair seconds, December and January-March, £40;

ditto, February-April, £39 15s; ditto, April-June, £39 5s to £39 10s; ditto, May-July, £39 to £38 15s; good brown, afloat, £39 10s; ditto, December-January, £39 10s; ditto, April-June, £38 15s; ditto, May-July, £38 10s; ditto, January-March, £30 15s. Daet, current, January-March, £38 15s; ditto, December-January, £38 15s to £39; Daet, seconds, December-January, £37 10s; Daet, reds, £36 10s, and W.B.G.C., dock, £59, with F.E.B. prompt £60. New Zealand ruled dearer. Fair, December-January, sold £35 5s to £35 15s; ditto, January-February, £35 5s to £35 15s; good fair, in dock, £39.

**SHELLAC.**—Only a relatively small business was effected in spot parcels during the week, on the basis of 213s for fair T.N. standard. At public sale on Tuesday, 105 cases orange and 27 cases garnet were offered and bought in. 295 cases buttons, few lots sold, cakey to hard cakey, firsts, 186s to 190s, and B.L., circle No. 2, 176s to 177s. Futures remained quiet. T.N., March, sold 211s. Gambier firm, and January-March, steamer, London or Continent, sold 17s 6d to 17s 7½d, c.f. and i., delivered weights.

**INDIA-RUBBER** quiet, steady. Fine hard Para, on spot, 5s 3d.

**QUININE,** after advancing, became weaker. Spot, sold, 9½d, 9½d, and 9½d; March, 9½d; June, 9½d to 9½d.

**METALS.**—Copper has been an active, irregular, and a stronger market this week, cash and short dates participating most in the advance. Electrolytics still rise. Settling down on Monday at £106 5s, cash £107 10s, three months £107 10s, values eased off slightly on the following day, but spot standard improved during the middle of the week to £106, forward being unchanged. After sustained buying on Thursday, values in these position reached £108 cash, £108 5s three months. Lake Superior quoted at £115 i.o.b., New York. Tin exhibited a sharp upward tendency at the week's commencement, with Eastern houses refusing to sell, and consumers' orders being executed, spot Straits fluctuating to £189 15s; three months to £190 10s. On balance, rates receded 15s by Tuesday's close, extensive dealings being put through, but during the middle of the week rallied, and left off £190 15s cash, and £190 10s three months. At Thursday's market realisations led to a set back, these dates being finally named at £189 5s and £190 5s respectively. Mount Bischoff, £189 15s to £190 5s. Lead quiet. English, £20 to £20 5s. Foreign: January, £19 18s 9d to £20; February and March-April, £20. Spelter steady. Ordinary brands, £27 15s to £27 17s 6d. Iron irregular and easier.

**OILS.**—Linseed has improved in value. Spot: pipes, £21 10s; barrels, £21 12s 6d; January-April, £21 15s; May-August, £21 10s. Hull: naked, spot, £20 12s 6d. Rape slow. Brown, naked, spot, £30 10s; refined, casks, £33; Jamba, £29 5s; Ravison, spot, £29. Cotton dearer. Crude, spot, £22 10s to £22 15s; refined, spot, £23 15s to £25 10s, according to make and package. Hull: refined, spot, naked, £22 7s 6d; January-April, £22 15s. Coconut: Ceylon, spot, £39 15s; January-March, £39, c.i.f.; February-April, £38 17s 6d, c.f. and i. Cochin: spot, £43; January, £40 15s; January-March, £40, c.i.f. Palm, Lagos, spot, £33 10s. Olive, Levant, £38 10s to £40.

**LINSEED** firm, and a large business passed in Plate at hardening rates. London: Calcutta, spot, 44s; near, 44s; December-January, 42s 9d; April-June, 40s 1½d. Hull: La Plata, spot, 42s 6d; on passage, 40s to 42s; December, 40s; December-January, 39s 3d; January-February, 39s 3d. Continent: Bombay, November-December, 45s 6d; Calcutta, December-January 43s 3d; La Plata, December-January, 39s 6d. Imports into London for week, 80 qrs, and quantity from East Indies, including cable advices, 116,000 qrs, against 105,000 qrs in 1906.

**RAPESEED** has declined, especially near shipments. Brown Calcutta, March-May, 42s 6d; March-April, 32s 9d; Ferozepore, January-February, 44s 7½d to 46s 6d, as to position. Brown Cawnpore, March-May, 44s 3d; March-April, 43s 6d. Yellow Cawnpore, March-May, 46s 9d. Yellow Guzerat, March-April, 47s 9d. Imports into London for week, 56 qrs, and quantity on passage from East Indies, 3,000 qrs, against 10,000 qrs last year.

**COTTONSEED** dearer. London spot, £6 15s; on passage, £6 15s; January-March, £6 17s 6d. Hull spot and passage, £6 12s 6d; January, £6 15s; cargoes, January, £6 18s 9d; February, £7. Bombay, on passage, £5 18s 9d; December, £5 15s; December-January, £5 8s 9d to £5 10s. Imported during the week 3,523 tons.

**TURPENTINE** again higher. American spirit, on spot, sellers, at 51s; and January-April, 51s 9d per cwt. Stocks at public wharves week ending January 5th: American, 17,365 barrels, against 20,850 barrels in 1905; and French, 1,521 barrels, against 1,281 barrels. Landing, nil, against nil. On passage, 800 barrels, against 6,375 barrels. Total visible London supply, 19,686 barrels, against 28,506 barrels. Deliveries during the above period, 1,393 barrels, against 1,532 barrels. Deliveries since January 1st, 1,393 barrels, against 1,352 barrels at same time last year.

**ROSIN** sells steadily. Common strained, on spot and to arrive, 10s 6d per cwt.

**PETROLEUM** quiet, unchanged. American, 6½d to 6¾d; water-white, 7½d to 7¾d; and Russian, 6½d to 6¾d per gallon, on spot.

**TALLOW.**—Market remained in a firm state during the week. At Wednesday's auctions 1,098 casks were catalogued, which experienced good support, and 908 were disposed of, prices showing an advance of 3d to 6d per cwt. Australian, fine, 38s 6d; fair to good, 36s to 37s 6d; dark to dull, 32s 9d to 35s; and hard, 36s 3d. Beef, sweet, 36s 3d; fine, 35s; fair to good, 33s 9d to 34s 6d; dark to dull, 32s 6d to 33s 6d. Market letter unaltered. Town tallow, 34s 3d; and melted stuff, 23s 6d per cwt.

#### POSTSCRIPT

Friday Evening.

**SUGAR.**—Home refined steady, unchanged, while in good demand. Continental granulated firm. R.A.V., ready, sold 10s 7½d to 10s 8½d; Z.R.M., 10s 7½d; first marks, January, 10s 7½d; February, 10s 7½d; February-March, 10s 7½d; and May-

August, 10s 11d, f.o.b., Hamburg. Beet firmer, though rather irregular. February sold 8s 11d; March, 8s 11d to 9s; May, 9s 1d to 9s 2d and 9s 1d; August, 9s 3d to 9s 4d and 9s 4d; and October-December, 9s 1d, f.o.b. Cane sales firm to dealer, demand being good. 5,033 bags crystallised Demerara sold 16s 9d to 17s 6d; choice, 17s 9d to 18s. 2,898 bags Surinam low, 15s 6d; low middling, 16s; medium, 16s 3d to 16s 4d; good, 16s 6d to 17s 7d; and fine, 17s.

COFFEE.—Auctions about steady. Costa Rica new crop, fine bold, sold, 71s to 72s. Futures dull and easier. March sold, 30s 9d; May, 31s 4d to 31s 3d; and September, 32s 4d to 32s 3d.

TAPIOCA.—Medium pearl, on spot, fair to fine, sold 22s to 24s, and fair, to arrive, 22s for near, and 20s 6d, c.f. and i., distant.

HEMP opened weaker, but improved. F.S. January-March, sold, £39 17s 6d; ditto, May-July, £38 15s to £39 5s; good brown ditto, £38 15s. C.F.S.B. spot, £62, and Daet current, February-April, £38 10s.

METALS.—Tin at opening 'change ruled easier and at second

session steady. Straits cash closed £188 15s, and three months prompt at £190 2s 6d sellers. Copper at opening meeting irregular and dearer, but forward closed below the best, while at second session tended firmer. Standard spot, closed, £108 15s, and three months prompt £109 2s 6d. Lead rather dearer, English £20 2s 6d to £20 7s 6d; foreign, January buyers, £20, and April sold £20 2s 6d. Spelter quiet. Ordinary brands, January, £27 15s paid, Iron quiet.

LONDON MEAT MARKET.

Per 8 lbs by the carcase.

Table with 2 columns: Meat type and Price. Includes Inferior beef, Muddling ditto, Prime ditto, Inferior mutton, Muddling ditto, Prime ditto, Veal, First.

LONDON POTATO MARKET.

Per Cwt.

Per Cwt.

Table with 2 columns: Potato variety and Price. Includes Bedford up-to-date, Belgian Rounds (per bag), Dunbars, Blacklands.

Commercial Times.—Weekly Price Current.

The prices in the following list are revised on Friday with the assistance of an eminent firm in each department.

Main price current table with multiple columns. Includes sections for LONDON, FRIDAY; DRUGS-(Con.); SILK-(Con.); TEA-duty 5d per lb; CHEMICALS; GUMS; OILS; SPIRITS; and various other commodities like sugar, flour, and oils.

London Stock Markets Price Current.

BRITISH FUNDS, &c.

Table of British Funds including Consols, Local Loans, and various government securities with columns for Div. Due, Name, and Closing Prices.

CORPORATION BONDS.—Con.

Table of Corporation Bonds including Rio de Janeiro, Toronto, and various local bonds with columns for Name, Closing Prices, and Div. Due.

FOREIGN STOCKS, &c.—Con.

Table of Foreign Stocks including Chilian, Rio de Janeiro, and various international securities with columns for Name, Closing Prices, and Div. Due.

RAILWAYS.—Con.

Table of Railway stocks including Great Northern, London & North Western, and various other rail companies with columns for Name, Closing Prices, and Div. Due.

COLONIAL & PROVINCIAL GOVERNMENT SECURITIES.

Table of Colonial and Provincial Government Securities including British Columbia, India, and various other regional bonds with columns for Name, Closing Prices, and Div. Due.

CORPORATION STOCKS. (United Kingdom.)

Large table of Corporation Stocks for the United Kingdom, listing companies like Metropolitan Waterworks, London City, and various industrial firms with columns for Name, Closing Prices, and Div. Due.

CORPORATION BONDS. (Colonial and Foreign.)

Table of Corporation Bonds for Colonial and Foreign regions, including Alexandria, Anckland, and various international bonds with columns for Name, Closing Prices, and Div. Due.

FOREIGN STOCKS, &c.—Con.

Continuation of Foreign Stocks table, listing companies like Argentine National, Aust. Silver, and various international securities with columns for Name, Closing Prices, and Div. Due.

RAILWAYS.—Con.

Continuation of Railway stocks table, listing companies like Great Northern, London & North Western, and various other rail companies with columns for Name, Closing Prices, and Div. Due.

CORPORATION BONDS. (Colonial and Foreign.)

Continuation of Corporation Bonds table for Colonial and Foreign regions, including Alexandria, Anckland, and various international bonds with columns for Name, Closing Prices, and Div. Due.

FOREIGN STOCKS, &c.—Con.

Continuation of Foreign Stocks table, listing companies like Argentine National, Aust. Silver, and various international securities with columns for Name, Closing Prices, and Div. Due.

FOREIGN STOCKS, &c.—Con.

Continuation of Foreign Stocks table, listing companies like Argentine National, Aust. Silver, and various international securities with columns for Name, Closing Prices, and Div. Due.

GUARANTEED SHARES AND STOCKS

Table of Guaranteed Shares and Stocks including Caledonian, Furness, and various other companies with columns for Name, Closing Prices, and Div. Due.

PREFERENCE SHARES AND STOCKS, WITH DIVIDENDS CONTINGENT ON THE PROFITS OF EACH SEPARATE YEAR.

Table of Preference Shares and Stocks including Caledonian, Furness, and various other companies with columns for Name, Closing Prices, and Div. Due.

RAILWAYS.

Table of Railway stocks including Great Northern, London & North Western, and various other rail companies with columns for Name, Closing Prices, and Div. Due.

\* The drawings are yearly in the case of stocks to which asterisks are prefixed. In almost all other cases where there are drawings they are half-yearly.

† No interest has been paid on the Costa Rica debt since Oct., 1901, and by the terms of the last arrangement the bondholders revert to their original position and are now entitled to interest at the rate of 5 per cent.

RAILWAYS. PREFERENCE SHARES AND STOCKS, WITH DIVIDENDS CONSISTENT OF THE PROFITS OF EACH SEPARATE YEAR.

Table with columns: Present Amount, Name, Closing Prices. Lists various railway preference shares and stocks with their respective values and names.

INDIAN RAILWAYS.

Table with columns: Present Amount, Name, Closing Prices. Lists Indian railway stocks such as Assam-Bengal, Bengal N.West Ltd, and others.

BRITISH POSSESSIONS.

Table with columns: Present Amount, Name, Closing Prices. Lists railway stocks from British possessions including Atlantic & Nth. Westn, Buffalo & Huron, etc.

RAILWAYS. AMERICAN SHARES AND BONDS.

Table with columns: Present Amount, Name, Closing Prices. Lists American railway shares and bonds such as Alabama G.S.A. 6% Prf, Atchafalpa, etc.

RAILWAYS. AMERICAN STOCKS—CON.

Table with columns: Pr. Amt., Name, Red Cl Pr, Closing Prices. Lists American railway stocks including Pen. Con. Eq. Trust, Penn. Con. Mort., etc.

FOREIGN RAILWAYS.

Table with columns: Pr. Amt., Name, Closing Prices. Lists foreign railway stocks such as Antofagasta (Chili) & Bolivi, Argentine G. Wt. Ord. Stk., etc.

RAILWAYS. FOREIGN RAILWAYS—CON.

Table with columns: Pr. Am. or No., Name, Closing Prices. Lists foreign railway stocks including Midland Uruguay (L.), Do Debenatura Stock, etc.

BANKS AND DISCOUNT COS.

Table with columns: Shrs., Div %, Name, Shrs Pd., Clsng Prices. Lists banks and discount companies such as African Bkg. Cor., Anglo-Austrian, etc.

BREWERIES & DISTILLERIES.

Table with columns: Pd., Name, Closing Prices. Lists breweries and distilleries including Allsopp, S. & Sons, Do Preference, etc.

BREWERIES, &c.—Con.

Table listing various brewery companies such as Hodgson & Kingston Brew, Lion Brewery, Manchester Brew, etc., with columns for Name, Closing Prices, and Shrs. Pd.

COMMERCIAL, INDUSTRIAL, &c

Table listing commercial and industrial companies such as Dick Kerr and Co., E. O. Powder, Eley Bros, etc., with columns for Name, Closing Prices, and Shrs. Pd.

FINAN., LAND, & INVEST.—Con.

Table listing financial, land, and investment companies such as Trust & Acy. of Austr., Do 5% Preference Shares, etc., with columns for Name, Closing Prices, and Shrs. Pd.

MINES.—Con.

Table listing mining companies such as New Jagersfontein, Nundydoo, Ooregum Gold, etc., with columns for Name, Closing Prices, and Shrs. Pd.

FINANCIAL—TRUSTS.

Table listing financial trusts such as Alliance Investment, American Invest. Trust, Do Deferred, etc., with columns for Name, Closing Prices, and Shrs. Pd.

SHIPPING.

Table listing shipping companies such as African Steam Ship, Do Fully Paid, Amazon Steam Navigation, etc., with columns for Name, Closing Prices, and Shrs. Pd.

INSURANCE COMPANIES.

Table listing insurance companies such as Alliance Assur., Do (New), Alliance Mar. L., etc., with columns for Name, Closing Prices, and Shrs. Pd.

ELEC. LIGHTING & POWER.

Table listing electrical lighting and power companies such as City of Lond. Electric, Do 4% Cum. Pref., etc., with columns for Name, Closing Prices, and Shrs. Pd.

COAL, IRON, & STEEL.

Table listing coal, iron, and steel companies such as Armstrong, Sil W. G. & Co., Babcock & Wilcox, etc., with columns for Name, Closing Prices, and Shrs. Pd.

TEA AND COFFEE.

Table listing tea and coffee companies such as Assam Tea, British India Tea, Charga Tea Association, etc., with columns for Name, Closing Prices, and Shrs. Pd.

TELEGRAPHS, TELEPHONES.

Table listing telegraph and telephone companies such as African Direct, Anglo-American, Do Preferred, etc., with columns for Name, Closing Prices, and Shrs. Pd.

CANALS AND DOCKS.

Table listing canal and dock companies such as Birmingham Canal, Grand Junction Canal, Lond. & India Docks, etc., with columns for Name, Closing Prices, and Shrs. Pd.

FINANCIAL LAND, AND INVESTMENT.

Table listing financial land and investment companies such as Anglo-French Exploratn. L., Assets Realisation, Australian Agricultural, etc., with columns for Name, Closing Prices, and Shrs. Pd.

MINES.

Table listing mining companies such as Anaconda Copper, Bechuanaland Expl., Cape Copper, etc., with columns for Name, Closing Prices, and Shrs. Pd.

TRAMWAYS AND OMNIBUS.

Table listing tramway and omnibus companies such as Anglo-Argentine, Do 6% Debenture Stock, Barcelona, Limited, etc., with columns for Name, Closing Prices, and Shrs. Pd.

WATERWORKS.

Table listing waterworks companies such as Antwerp, Limited, City of St. Petersburg, Kimberley, Limited, etc., with columns for Name, Closing Prices, and Shrs. Pd.

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Silver Reserve .. .. 10,250,000

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**BIRKBECK BANK**

ESTABLISHED 1851.

SOUTHAMPTON BUILDINGS, HIGH HOLBORN, W.C.

2½ PER CENT. INTEREST

allowed on Deposit Accounts.

2 PER CENT. INTEREST

on Drawing Accounts with Cheque Book.

All general Banking Business transacted.

ALMANACK, with full particulars, POST FREE.  
C. F. RAVENSCROFT, Secretary.

**BIRKBECK BANK**

ESTABLISHED 1851.

SOUTHAMPTON BUILDINGS, HIGH HOLBORN, W.C.

NOTICE is hereby given that the Rate of Interest

allowed on Deposit Receipts at seven days' notice of withdrawal is

4 PER CENT. PER ANNUM

until further notice.

ALMANACK, with full particulars, POST FREE.  
C. F. RAVENSCROFT, Secretary.

**AFRICAN BANKING CORPORATION, LIMITED**

Head Office:

63 LONDON WALL, E.C.

Registered Capital..... £2,000,000

Subscribed Capital ..... 800,000

Reserve Fund ..... 140,000

Branches at the principal towns in South Africa.

New York Agency:

74 WALL STREET.

All descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.

G. W. THOMSON,

Chief Manager.

**THE BANK OF AUSTRALASIA**

(Incorporated by Royal Charter, 1835.)

4 Threadneedle street, London.

Paid-up Capital ..... £1,600,000

Reserve Fund ..... 1,280,000

Reserve Liability of Proprietors

under the Charter..... 1,600,000

An allowance on sums of £100 and upwards is made to purchasers of Letters of Credits. Drafts payable on demand, and Cable Transfers issued on any of the numerous branches of the Bank throughout Australia and New Zealand.

BILLS negotiated or sent for collection.

DEPOSITS received in London at interest for fixed periods on terms which may be ascertained on application.

R. W. JEANS, Manager.

**BANQUE RUSSO-CHINOISE.**

(Russo-Chinese Bank.)

Capital .. .. Roubles 15,000,000

Do. invested by the Imperial

Chinese Government: Roubles 5,000,000

Reserves .. .. Roubles 7,130,000

HEAD OFFICE: ST. PETERSBURG.

Branches or Agencies—

Ashkhabad	Khbarovsk	Paris
Batoum	Khokand	Pekin
Bilsk	Kiachta	Samarjand
Blagovestchensk	Kirin	San Francisco
Bodaibo	*Kobé	Shanghai
Bombay	Krasnoarsk	Stretensk
Boukhara	Kouantchéndze	Tachkent
Calcutta	Kouldja	Teline
Chefoo	London	Tientsin
Hailer	Marguelan	Tohita
*Hakodate	Moscow	Tohngoutchak
Hankow	*Moukden	Tsitsikar
Harbin	*Nagasaki	Verohneoudinsk
Hongkong	Newchwang	Vladivostok
Irkoutsk	Nicolaeffsk	Werny
Kalgan	Ouliasoutai	Yokohama
Kachgar	Ourga	Zelzaka-Pristane

\* Branches which are temporarily closed.

London Bankers: Messrs Glyn, Mills, Currie & Co.

London Branch: 41 Threadneedle street, E.C.

Chantry Inghald, Manager.

Representative in New York: Walter Kutzleb,

Wall street Exchange Buildings.

BOARD OF DIRECTORS.

Prince E. Oukhtomsky, President; J. Hottinguer,

E. Noetzlin, A. Wischnegradsky, L. Davydoff,

M. Verstraete, Th. Knopp, S. Solzky, A. Poutiloff

and V. Bisot.

**Banks, &c.—Continued.**

**BALANCE SHEET OF THE MOSCOW DISCOUNT BANK, MOSCOW.**

Branches at TULA and KOKAND.

Per 1/14th December, 1906.

ASSETS.	
	Rbls. cpks.
Cash, and at Bankers.....	938,602 20
Bills discounted .....	16,954,606 50
Advances on Securities.....	14,539,986 70
Stock bearing interest .....	1,226,189 84
Foreign Bills .....	8,515 14
Current Accounts—Lori .....	1,262,174 87
"    "    Nostril .....	1,447,103 28
Branches .....	6,129,775 48
Sundry Debtors.....	259,695 35
Real Estate and Furniture .....	956,355 76
Protested Bills .....	168,954 75
Expenses and Tax .....	345,013 59
	Rbls. 44,236,973 46

LIABILITIES.	
	Rbls. cpks.
Capital paid .....	4,000,000 —
Reserve Fund .....	1,073,250 70
Deposits .....	17,735,911 74
Bills re-discounted .....	2,492,096 18
Current Accounts—Lori .....	2,701,229 67
"    "    Nostril .....	7,672,154 71
Branches .....	6,383,707 51
Sundry Creditors .....	22,640 43
Interest on Deposits .....	720,244 95
Interest and Commission for 1906 .....	1,189,137 59
Receipts on sums written off .....	47,536 01
Pension Fund .....	183,063 97
Amortisation of Real Estate .....	16,000 —
	Rbls. 44,236,973 46

**THE YOKOHAMA SPECIE BANK, LIMITED.**  
ESTABLISHED 1880.

Capital Subscribed ..	Yen 24,000,000
Capital Paid-up ..	„ 21,000,000
Reserve Funds ..	„ 13,700,000

Head Office .. .. YOKOHAMA.

Branches and Agencies at—		
Antung	Liao Yang	Peking
Bombay	Lyons	Riojun (Port Arthur)
Chefoo	Mukden	San Francisco
Dairen (Dalny)	Nagasaki	Shanghai
Hankow	Newchwang	Tieling
Honolulu	New York	Tientsin
Hong Kong	Osaka	Tokio
Kobe		

The Bank buys and receives for collection Bills of Exchange, issues Drafts and Telegraphic Transfers and Letters of Credit on above places and elsewhere, and transacts General Banking Business.

Deposits received for fixed periods at rates to be obtained on application.

London Office: 120 Bishopsgate street Within, E.C.

T. S. NISHIMAKI Manager.

**The London and River Plate Bank (Limited).**  
ESTABLISHED 1862.

Subscribed Capital .....	£1,500,000
Paid-up Capital.....	900,000
Reserve Fund .....	1,100,000

Branches in Paris, Buenos Ayres, Monte Video, Rosario, Mendoza, Bahia Blanca, Paysandu, Rio de Janeiro, Para, Pernambuco, Santos, Sao Paulo, Concordia and Salto. Agency in New York.

Letters of Credit, Drafts, and Cable Transfers issued.  
Bills negotiated, advanced upon or sent for collection.  
7 Prince's street E.C.

**THE NATIONAL BANK OF NEW ZEALAND, LIMITED.**

HEAD OFFICE—LONDON.

CAPITAL £1,725,000 (150,000 issued Shares 80,000 unissued Shares) of £7 10s each.	
PAID-UP .....	£375,000.
RESERVE FUND .....	£300,000.

Deposits received for 1, 2, or 3 years at 4 per cent. per annum. Drafts, Letters of Credit and Wire Remittances granted and Bills on New Zealand purchased or sent for collection.

H. FRESHWATER,  
Secretary and London Manager.  
15, Moorgate street, London, E.C.

**E. D. SHEPARD & COMPANY**

ESTABLISHED 1869.

South Sea House,  
Threadneedle Street,  
London, E.C.

Offices in United States of America  
**NEW YORK - BOSTON - PHILADELPHIA**

BANKERS:  
THE LONDON & WESTMINSTER BANK,  
LTD., LOTHBURY.

Dealers in  
High-Grade American Railroad,  
Municipal & Corporation Bonds

To nett approximately 3½% to 5½%

INFORMATION ON APPLICATION.

**BANCO ALEMAN TRANSATLANTICO.**  
(Deutsche Ueberseeische Bank.)

Subscribed capital ..	M. 20,000,000 (£1,000,000.)
Paid-up capital ..	M. 17,500,000 (£880,000.)
Reserve Fund ..	M. 2,502,468 (£125,123.)

HEAD OFFICE: BERLIN.

BRANCHES:  
ARGENTINE: Bahia-Blanca, Bell-ville, Buenos-Aires, Cordoba and Tucuman.  
BOLIVIA: La Paz and Oruro.  
CHILE: Antofagasta, Concepcion, Iquique, Osorno, Puerto Montt, Santiago, Valdivia, and Valparaiso.  
PERU: Arequipa, Callao and Lima.  
URUGUAY: Montevideo.

SPAIN: Barcelona.  
MEXICO AGENTS: Banco Mexicano de Comercio e Industria, Mexico.

Bills sent for collection, negotiated or advanced upon. Drafts, cable transfers, and Letters of Credit issued.

LONDON AGENTS: DEUTSCHE BANK (BERLIN)  
LONDON AGENCY,  
4 George Yard, Lombard street, London, E.C.

**THE ANGLO-JAPANESE BANK, LIMITED.**

Authorised Capital, £2,000,000. Subscribed Capital, £600,000. Paid-up Capital, £300,000.

DIRECTORS.

Sir WESTBY B. PERCEVAL, K.C.M.G. (Chairman).

The Right Hon. Lord ARMSTRONG.

Baron GEORGE DE REUTER.

H. EDLMANN, Esq.

CHOKURO KADONO, Esq.

J. MACANDREW, Esq.

LOCAL BOARD IN JAPAN.

Kihachiro Okura (Senior Partner Okura and Co., and Auditor of the Industrial Bank of Japan), Tokio.

Soichiro Asano (President Oriental Mail Steamship Company), Tokio.

ADVISER TO LOCAL BOARD.

Baron Shibusawa (President First Bank of Japan, and Auditor Industrial Bank of Japan).  
London Office—70 Cornhill.

Manager—J. M. Skinner.

The Bank issues Drafts and Circular Notes, makes Telegraphic Transfers, grants Letters of Credit, buys and collects Bills of Exchange and Coupons, and transacts general Banking and Agency business connected with Japan and the East.

The Bank opens Current Accounts and allows interest at the rate of 2 per cent. per annum on the minimum monthly balances provided they do not fall below £200.

Deposits are received for fixed periods at rates which can be ascertained on application.

Stocks and Shares of every description can be purchased through the Bank, and a special feature will be the supplying of reliable information to inquirers regarding the position and prospects of Japanese Government, Local, and Internal Loans.

**THE CANADIAN BANK OF COMMERCE**

Paid-up Capital..... \$10,000,000 (£2,054,794).  
Reserve Fund..... \$5,000,000 (£1,027,397).

HEAD OFFICE: TORONTO. Branches throughout the DOMINION OF CANADA. Also in New York, San Francisco, Portland, Seattle and Skagway; and Agents in all large cities of the UNITED STATES.

LONDON OFFICE: 60 LOMBARD STREET, E.C.

Agents in Scotland: Bank of Scotland.  
Canadian and United States Currency Bills and Notes bought and sold, Telegraphic Transfers made to all principal points in America; Commercial and Travellers' Letters of Credit issued for all parts of the World; Collections made at all points; a General Banking and Exchange Business conducted with Canada and the United States; and every facility accorded to parties interested in COBALT.  
Special facilities afforded for making transfers, &c., to MANTONA, ALBERTA and SASKATCHEWAN.

S. CAMERON ALEXANDER, Manager.

**FISK & ROBINSON**

BANKERS

United States  
Government Bonds

and other

Investment Securities

MEMBERS NEW YORK STOCK EXCHANGE

35 Cedar Street  
NEW YORK

28 State Street  
BOSTON

**N. W. HARRIS & CO.**  
BANKERS

Pine Street, Corner William  
Chicago NEW YORK Boston

Receive deposits subject to check

and allow interest on balances.

Act as fiscal agents for municipalities and corporations. Issue letters of credit and deal in

**BONDS FOR INVESTMENT**

List on Application

Cable Address SABA NEW YORK

**THE WESTERN AUSTRALIAN BANK.**

Established 1841.

Authorised Capital .. \$250,000 0 0

(25,000 Shares of \$10 each)

Paid-up Capital .. \$150,000 0 0

(15,000 Shares of \$10 each)

Reserve Fund .. \$375,000 0 0

Reserved Profits .. \$13,568 0 0

Reserved Liability of Shareholders, \$150,000.

The Bank undertakes Banking and Exchange Business of every description connected with Western Australia.

London Agency: 11, LEADENHALL ST., E.C.

(The Bank of Adelaide).

**NATIONAL BANK OF EGYPT.**  
(Established by Khedival Decree, June 1898.)

With the exclusive right to issue Notes payable at sight to bearer.

CAPITAL..... \$3,000,000

In 300,000 Shares of \$10 each, fully paid.

RESERVE FUND..... (about) \$1,112,494

GOVERNOR—F. T. Rowlatt.

HEAD OFFICE—CAIRO.

LONDON COMMITTEE.

Sir Vincent Caillard (Chairman).

Hon. Algernon Mills. Carl Meyer, Esq.

Hon. Sidney Peel.

BANKERS—Messrs Glyn, Mills, Currie and Co.

LONDON AGENCY—4 and 5 King William street, E.C.

MANAGER—Frank Newcomb.

Accounts opened with traders and private persons at the Head Office at Cairo, the Branches at Alexandria, Assiout, Assuan, Benha, Beni Suef, Chibin El Kom, Damanhur, Fayoum, Keneh, Khar-toum, Mansourah, Midan, Minieh, in the Mousky (Cairo), Port Said, Port Sudan, Schag, Souakin, Tanta, Zagazig, or the London Agency.

Deposits received for a fixed term. Advances made. Current Accounts opened on security of funds, warrants, and merchandise. The purchase and sale of every kind of stocks and shares undertaken. Bills discounted. Every kind of Banking business transacted.

Full information can be obtained at the Offices of the Bank

**THE MERCANTILE BANK OF INDIA, LIMITED.**

Head Office, 40 Threadneedle street, London, E.C.

Capital Authorised .. £1,500,000

Capital paid-up .. 562,500

Reserve Fund .. 135,000

Bankers—Bank of England; London Joint Stock Bank (Limited).

Branches and Agencies in INDIA, CEYLON, STRAITS SETTLEMENTS, CHINA and JAPAN.

The Bank buys and sells Bills of Exchange, issues Letters of Credit and Circular Notes, and transacts Banking and Agency business in connection with the East, on terms to be had on application.

Deposits received for fixed periods on the following terms:—

Six months, 3½ per cent.;

One, two, or three years, 4 per cent.;

and on Current Accounts interest is allowed at 2 per cent. per annum on the minimum monthly balances, provided they do not fall below £200.

**Banks, &c.—Continued.****THE NATIONAL BANK OF SOUTH AFRICA, LIMITED.**

(Bankers to the Government of the Transvaal Colony),  
London Office: Circus place, London Wall, E.C.

Subscribed and fully paid-up Capital £1,100,000.  
With power to increase to 4,000,000.  
Reserve Fund 140,000.  
Branches and Agents at all the principal towns in South Africa.  
Deposits received, Current Accounts opened, and all descriptions of Banking Business connected with South Africa transacted on terms which may be ascertained on application.  
E. C. REYNOLDS, Manager.

**NATIONAL BANK OF INDIA, LIMITED.**

HEAD OFFICE  
17 BISHOPSGATE ST. WITHIN, LONDON, E.C.

BRANCHES:  
Calcutta, Bombay, Madras, Karachi, Cawnpore, Lahore, Amritsar, Delhi, Tuticorin, Chittagong, Rangoon, Mandalay, Aden and Aden Point, Colombo, Kandy, Newera Eliya, Zanzibar, Mombasa, Nairobi (British East Africa), Entebbe (Uganda).

SUBSCRIBED CAPITAL £1,200,000  
PAID-UP CAPITAL 600,000  
RESERVE FUND 575,000  
London Bankers—Bank of England; National Provincial Bank of England, Limited; National Bank of Scotland, Limited  
The Bank conducts every description of Eastern banking business.  
The Bank receives deposits for fixed periods, not exceeding one year. The rates allowed at present in London are  
Fixed for 12 months 4 per cent. per annum.  
" " 6 " 3 " "  
Current accounts are opened, and provided they do not fall below £200, interest is allowed on the minimum monthly balances at the rate of 2 per cent. per annum.

**BERGENS KREDITBANK,**  
*Bergen, Norway.***GENERAL BANKING BUSINESS.**

London Bankers: **Deutsche Bank**  
(Berlin) London Agency  
**C. J. Hambro & Son.**  
Credit Lyonnais.

**THE UNION BANK OF AUSTRALIA (LIMITED).**

Established 1837. Incorporated 1880.  
Paid-up Capital £1,500,000  
Reserve Fund 1,120,000  
Reserve Liability of Proprietors 3,000,000

Head Office: 71 Cornhill, London, E.C.

LETTERS OF CREDIT and BILLS are granted on the Bank's Branches throughout the Australian States and New Zealand.  
TELEGRAPHIC REMITTANCES are also made.  
BILLS are purchased or sent for collection.  
DEPOSITS are received for fixed periods on terms which may be ascertained on application.

**DIAMOND PROPERTY**

(New Vaal River). FOR SALE, large valuable Diamond Alluvial Property situated in New Vaal River district. Only first-class firms will be negotiated with. Full particulars from "Hermes," c/o The Press Agency, Ltd., 120 Bishopsgate street, E.C.

**Natal 3½% Consolidated Stock.**

ISSUE OF £725,000.

PRICE OF ISSUE, £95 PER CENT.

Interest payable 1st February and 1st August.  
Six Months' Interest payable 1st August, 1907.

Principal repayable at par 1st August, 1944, the Government of Natal having the option to redeem the Stock at par on or after the 1st August, 1934, on giving twelve calendar months' notice.  
The Government of Natal having complied with the requirements of the Colonial Stock Act, 1900, as announced in the "London Gazette" of the 20th September, 1901, Trustees are authorised to invest in this Stock subject to the provisions set forth in the Trustee Act, 1893.

The London and Westminster Bank, Limited are instructed by the Government of Natal to offer for subscription the above amount of Stock, being the balance of the amount of £4,000,000 authorized under Act of the Natal Legislature, No. 40 of 1903, which Act states that the money raised shall be applied to Railways and their equipment, Harbour Works, Telegraphs, and other public works of a permanent character.

The Loan is issued in accordance with the provisions of the General Loan Law of the Colony, No. 10 of 1882, by the terms of which all Loans raised under authority of an Act of the Legislature are chargeable upon and payable out of the revenue of the Colony.

The Consolidated Loans Fund Act of the Colony of Natal, No. 46 of 1904, charges the Colonial Revenue with an annual payment calculated to repay the whole outstanding debt of the Colony as on the 30th June, 1904, within sixty years from that date, and all expenditure out of Loan Funds after that date is, under the same Act, to be repaid by an annual charge on the Colonial Revenue within sixty years from the date at which it is incurred.

The stock offered will be in addition to and rank pari passu with the existing £5,000,000 Natal 3½ per cent. Consolidated Stock, 1934-1944, and will be inscribed in accordance with the provisions of "The Colonial Stock Act, 1877," 40 and 41 Vict., cap. 59, in the books kept by the London and Westminster Bank, Limited, and will be transferable without charge and free of stamp duty at that Bank, either by the Stockholders personally or by their Attorneys. The interest, at the rate of 3½ per cent. per annum, will be payable on behalf of the Government of Natal at the London and Westminster Bank, Limited, Lothbury, on the 1st February and 1st August in each year, by Dividend Warrants, which can be sent by post at the Stockholder's risk. The principal will be payable at the same Bank on the 1st August, 1944; but the Government of Natal have the option of redemption at par, in London, on or after the 1st August, 1934, on giving twelve calendar months' notice by advertisement in the "London Gazette" and in the "Times" newspaper, or by post to the then Stockholders at their registered addresses.

Stock Certificates to Bearer, of the denominations of £100, £50 and £1,000, with Coupons for the Half-yearly Dividends attached, will be obtainable in exchange for Inscribed Stock at the London and Westminster Bank, Limited, Lothbury, on payment of the prescribed fees, and such Certificates can be re-inscribed as Stock at the will of the holder.

The revenues of the Colony of Natal alone are liable in respect of this Stock and the Dividends thereon, and the Consolidated Fund of the United Kingdom and the Commissioners of His Majesty's Treasury are not directly or indirectly liable or responsible for the payment of the Stock or of the Dividends thereon, or for any matter relating thereto.—40 & 41 Vict., cap. 59, sec. 19.

Applications on the form prescribed will be received at the London and Westminster Bank, Limited, Lothbury, and must be for even hundreds of Stock, and be accompanied by a deposit of 25 per cent. on the nominal amount applied for.

The list will be closed on or before Tuesday, the 15th January, 1907.

In case of partial allotment, the surplus of the amount paid as deposit will be appropriated towards the payment of the instalment due on allotment.

Payment will be required as follows, viz:—

£20	"	22nd January, 1907.
£20	"	18th February, 1907.
£25	"	18th March, 1907.
£25	"	15th April, 1907.
£95		

Payment may be made in full on the 22nd January, 1907, or on any subsequent day, under discount at the rate of 3½ per cent. per annum.

In case of default in the payment of any instalment at its due date the deposit and instalments previously paid will be liable to forfeiture.

Scrap Certificates will be issued after payment of the amount due on allotment, and such Certificates, when paid up in full, will be convertible into Inscribed Stock on presentation at the London and Westminster Bank, Limited, Lothbury.

Copies of the Acts above mentioned can be seen at the office of the Agent-General for Natal, 25 Victoria street, Westminster, S.W., or at the London and Westminster Bank, Limited, Lothbury; and forms of application can be obtained at that Bank, or at any of its branches; at the Natal Bank, Limited, 18 St. Swithin's lane, E.C.; and of Messrs. R. Nivison and Co., 76, Cornhill, London, E.C.

London and Westminster Bank, Limited,  
Lothbury, London, E.C.,  
11th January, 1907.

Johannesburg,  
26th November, 1906.

**THE RANDFONTEIN ESTATES GOLD MINING COMPANY WITWATERS-RAND, LTD.**

Notice is hereby given that at the forthcoming Annual General Meeting of this Company, to be held at Johannesburg, the Directors will recommend the distribution to Shareholders, in such manner and form as may be determined at the said meeting, of a portion of its capital assets, consisting of certain three hundred thousand (300,000) shares of the nominal value of £1 sterling each, being a portion of this Company's shareholdings in its subsidiaries, on the basis of one share for every ten (10) shares of this Company, fractional parts of the distributed shares being allowed for in cash at par.

It will be further recommended that the distribution be made amongst Shareholders of this Company registered on the 31st December, 1906, and holders of shares not registered in their names are, therefore, invited to lodge same for registration on or before that date, in order to entitle them to participate in the proposed distribution in respect of such shares.

Holders of Share Warrants to Bearer are also notified that they should lodge their warrants:

- (1) With Messrs Carrington and Hutton, 30 and 31 St Swithin's lane, London, E.C.
- (2) With their Paris correspondents, Messrs Clark and Hattensaur, 46 Rue de Provence, Paris, or
- (3) At the Head Transfer Office, Robinson Buildings, Johannesburg.

from the 2nd to the 15th January, 1907, both days inclusive, for the purpose of having their shares included in the Distribution Lists.

Forms of Lodgment may be had on application at the above offices.

The Lists of Registered Shareholders, and of holders of Share Warrants to Bearer, will in due course be forwarded to the Head Office at Johannesburg, where the distribution will be made if the above proposal is confirmed, and in such case the Certificates for the distributed shares, and cheques for fractions of shares, will be sent out from there.

The date at which the distribution will be made will be subsequently announced by advertisement. The Transfer Registers will be closed from the 1st to the 7th January, 1907, both days inclusive.—  
By order,

JAMES H. CROSBY, Secretary.

**THE INVESTOR'S MONTHLY MANUAL**

Every Investor should subscribe to the INVESTOR'S MONTHLY MANUAL, the most complete periodical record of all dealings in Stocks and Shares on the various Exchanges throughout the United Kingdom. The MANUAL contains particulars as to three thousand securities, recording the variations in prices during the month and during the year, giving the dividends recently paid, and showing the yield to an investor at present quotations. It also contains notes upon current topics of interest to investors.

**SPECIAL NOTICE.**

A Double Number of the INVESTOR'S MONTHLY MANUAL was Published on January 3rd, 1907, and gives, in addition to the usual information, the Highest and Lowest Prices of all Stocks and Shares for 1902, 1903, 1904, 1905, and 1906, the Latest Quotations for 1906 (so as to indicate the Exact Movement during the Year), a Tabulated Chronicle of the Year's Events, the Names of the Markets where each Security is chiefly dealt in, beside Memoranda relating to the Financial Position of Foreign and Colonial Governments, to Railways, &c., &c. In addition, there is furnished the Addresses of the various Companies, with the names of their Chairmen and Secretaries, or Managers. The price of this number is 1s 6d; by post, 1s 9d.

The MANUAL is published on the 3rd or 4th of the month following that to which the quotations refer, and the prices are made up to include the last day of the month. The next number will be published on February 4th, 1907.

Ordinary Numbers, price 1s; by Post, 1s 1½d. Annual Subscription, Post Free, 14s 9d.

Office: Granville House, Arundel Street, Strand.